

This document constitutes a base prospectus in respect of Pfandbriefe (non-equity securities within the meaning of Art. 22 No. 6(3) of the Commission Regulation) of Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – for the purposes of Article 5 (4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the "**Prospectus Directive**") (the "**Debt Issuance Programme Prospectus**" or the "**Prospectus**").

14 June 2019



Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken –
Schwäbisch Hall, Federal Republic of Germany
as Issuer

EUR 5,000,000,000
Debt Issuance Programme (the "Programme")

Application has been made to the Luxembourg Stock Exchange for the Pfandbriefe to be issued under this Programme (the "**Notes**") to be admitted to trading on the Regulated Market "*Bourse de Luxembourg*" which is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments amending Directive 2002/92/EC and Directive 2011/61/EU (the "**MiFID II Directive**"), and to be listed on the Official List of the Luxembourg Stock Exchange. Notes issued under this Programme may also be listed on other or further stock exchanges or may not be listed at all.

The Issuer has requested the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") of the Grand Duchy of Luxembourg in its capacity as competent authority under the Law of 10 July 2005 on prospectuses for securities (*Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*), as amended (the "**Luxembourg Law**"), to approve this Prospectus and to provide the competent authorities in the Federal Republic of Germany with a certificate of approval attesting that this Prospectus has been drawn up in accordance with the Luxembourg Law (each a "**Notification**"). The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification. By approving this Prospectus, CSSF gives no undertaking as to the economic or financial soundness of the operation or the quality and solvency of the Issuer in line with Article 7 (7) of the Luxembourg Law.

Arranger

DZ BANK AG

Dealers

DZ BANK AG

DZ PRIVATBANK S.A.

This Prospectus will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (www.schwaebisch-hall.de). This Prospectus is valid for a period of 12 months from its date of approval.

RESPONSIBILITY STATEMENT

Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – ("**Bausparkasse Schwäbisch Hall**" or the "**Issuer**") with its registered office in Schwäbisch Hall, Federal Republic of Germany, is solely responsible for the information given in this Prospectus and for the information which will be contained in the relevant final terms (the "**Final Terms**"). The Issuer hereby declares that, having taken and taking all reasonable care to ensure that such is the case, the information contained in this Prospectus and in the relevant Final Terms is and will be, to the best of its knowledge, in accordance with the facts and contains and will contain no omission likely to affect its import.

NOTICE

This Prospectus should be read and understood in conjunction with any supplement to this Prospectus and with any other document incorporated herein by reference. Full information on the Issuer and any tranche of Notes (a "**Tranche**") is only available on the basis of the combination of this Prospectus and the relevant Final Terms.

The Issuer has confirmed to the Dealers that this Prospectus contains all information with regard to Bausparkasse Schwäbisch Hall and the Notes which is material in the context of this Programme and the issue and offering of Notes thereunder; that the information contained in this Prospectus with respect to Bausparkasse Schwäbisch Hall and the Notes is accurate in all material respects and is not misleading; that any opinions and intentions expressed herein with respect to Bausparkasse Schwäbisch Hall and the Notes are honestly held; that there are no other facts with respect to Bausparkasse Schwäbisch Hall or the Notes the omission of which would make this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading and that Bausparkasse Schwäbisch Hall has made all reasonable enquiries to ascertain all facts material for the purposes aforesaid.

The Issuer has undertaken with the Dealers to publish a supplement to this Prospectus or publish a new Prospectus if and when the information in this Prospectus should become materially inaccurate or incomplete or in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and to have such document approved by the CSSF.

No person has been authorised to give any information which is not contained in, or not consistent with, this Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information in the public domain in connection with this Programme and, if given or made, such information should not be relied upon as having been authorised by the Issuer, the Dealers or any of them.

Neither the Arranger nor any of the Dealers, any financial intermediaries or any other person mentioned in this Prospectus, excluding the Issuer, is responsible for the information contained in this Prospectus or any supplement to this Prospectus, or any Final Terms or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

This Prospectus is valid for 12 months after its date of approval and this Prospectus and any supplement to this Prospectus as well as any Final Terms reflect the status as at their respective dates of issue. The delivery of this Prospectus, any supplement to this Prospectus and any Final Terms and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with this Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

For a description of restrictions applicable in the Member States of the European Economic Area in general, the United States of America, Japan and the United Kingdom of Great Britain and Northern Ireland, see "**Selling Restrictions**". In particular, the Notes have not been and will not be registered under the United

States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

The language of this Prospectus is English, except for the information incorporated by reference contained in the Annual Report 2017 (see "Documents Incorporated by Reference" below). Any part of the Prospectus in the German language constitutes a translation. In respect of the issue of any Tranche of Notes under this Programme, the German text of the Conditions (as defined in this Prospectus) may be controlling and binding if so specified in the relevant Final Terms. The Issuer confirms that, to the best of its knowledge, the non-binding English text of the Conditions correctly and adequately reflects the binding German language version of the Conditions.

This Prospectus, any supplement to this Prospectus and any Final Terms may only be used for the purpose for which they have been published.

This Prospectus, any supplement to this Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

This Prospectus, any supplement to this Prospectus and any Final Terms do not constitute an offer or an invitation to any person to subscribe for or to purchase any Notes.

In connection with the issue of any Tranche of Notes under this Programme, the Dealer or Dealers (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end not later than the earlier of 30 days after the issue date and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or person(s) acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.

MIFID II PRODUCT GOVERNANCE

The Final Terms in respect of any Notes may include a legend entitled "*MiFID II Product Governance*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the MiFID II Directive is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under Commission Delegated Directive (EU) 2017/593 of 7 April 2016 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

BENCHMARKS REGULATION

Interest amounts payable under Floating Rate Notes are calculated by reference to (i) EURIBOR (Euro Interbank Offered Rate) which is provided by the European Money Markets Institute ("**EMMI**") or (ii) the CMS swap rate which is provided by the ICE Benchmark Administration Limited ("**IBA**"). As at the date of approval of this Prospectus, IBA appears whereas EMMI does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant

to Article 36 of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 ("**Benchmarks Regulation**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that EMMI is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. Forward-looking statements are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements may be identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding Bausparkasse Schwäbisch Hall's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including Bausparkasse Schwäbisch Hall's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. Bausparkasse Schwäbisch Hall's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*" and "*Bausparkasse Schwäbisch Hall*". These sections include more detailed descriptions of factors that might have an impact on Bausparkasse Schwäbisch Hall's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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RISK FACTORS

The following is a disclosure of risk factors that may affect Bausparkasse Schwäbisch Hall's ability to fulfill its obligations under the Notes and that are material to the Notes issued under this Programme in order to assess the market risk associated with these Notes. Prospective investors should consider these risk factors before deciding to purchase the Notes issued under this Programme.

Prospective investors should consider all information provided in or incorporated by reference into this Prospectus and consult with their own professional advisors if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.

In addition, investors should be aware that the individual risks or the combination of the risks set out below may have a significant impact on the price of the Notes and a negative impact on the value of the investment. Under certain circumstances the prospective investor may suffer substantial losses.

Risk factors specific and material to Bausparkasse Schwäbisch Hall

When considering a purchase, the potential purchaser of *Inhaberpfandbriefe* should acknowledge the risk factors described below, which may impair the ability of the Issuer to fulfil its obligations.

Market risk

Market risk denotes the risk of a loss due to changes in the level or volatility of market prices for assets, liabilities and financial instruments. It comprises the risk types of interest rate risk, spread risk, migration risk and fund price risk. Within the framework of the business model of the Issuer, market risks arise in particular from the *Bauspar* (home savings and loans) and housing financing business as well as from own investments. The market risks explained below may give rise to a negative impact on the net assets, financial position and financial performance of the Issuer.

Interest rate risk

Interest rate risk describes the risk of losses from financial instruments caused by a change in interest rates. For example, a change in the interest rate level could lead to price losses in the own investments of the Issuer due to changes in market prices or to a decline in the gross interest margin.

Spread risk

Spread risk denotes the risk of losses from financial instruments caused by a change in the credit spreads with no change in the credit rating. Rising credit spreads can lead to price losses for the Issuer's own investments due to changes in market prices.

Migration risk

Migration risk is the risk of losses from financial instruments caused by a change in the Issuer/issue rating as a price-influencing parameter. For example, a deterioration in the rating of own investments can lead to a loss of the market value of the Issuer's investment portfolio and this can have a negative impact on the financial position and financial performance of the Issuer.

Fund price risk

Fund price risk denotes the risk of losses caused by a change in fund prices for those investments whose risks are not taken into account within the framework of other risk (sub)types. Fund price risk describes the possibility of losses due to negative changes of market prices of investments within a fund. This can result in a negative impact on the financial position and financial performance of the Issuer.

Credit risk

Credit risk denotes the risk of losses from the default or deterioration in creditworthiness of counterparties (borrowers, issuers, and counterparties including special funds).

Credit risks can arise both from traditional lending transactions, securities transactions and derivative and money market transactions. The traditional lending business corresponds mainly to loans in the *Bauspar* and housing financing segments including financial guarantee contracts and loan commitments. In the context of credit risk management, securities transactions are capital market products such as banking book securities and promissory note loans. Derivatives and money market transactions are to be understood as derivatives (such as swaps) for hedging purposes.

The key risk factors are deteriorations in the economic climate (particularly an increasing unemployment rate or falling real estate prices) and rating deteriorations. A deterioration in the economic climate and/or deteriorations in the creditworthiness of counterparties can trigger an increase in the number of non-performing loans in the loan portfolio of the Issuer. An increasing number of non-performing loans and loan defaults can negatively impact the financial position and financial performance of the Issuer.

Technical risk of a *Bausparkasse*

Technical risk of a *Bausparkasse* comprises new business risk and collective risk.

New business risk concerns the risk of negative effects on the financial performance of the Issuer due to possible deviations from the planned new business volume.

Collective risk denotes the risk of negative effects on the financial position and financial performance of the Issuer that may arise due to deviations of the actual performance of the *Bauspar* collective from its forecast due to sustained and significant changes in customer behaviour that are not related to interest rates (model risk within the projections of the *Bauspar* collective's cashflows).

Equity investment risk

Equity investment risk denotes the risk of losses due to negative changes in value for the part of the equity investment portfolio for which the risks are not taken into account as part of other risk types. Risks from equity investments can also concern potential losses from equity provided or from profit and loss transfer agreements. The occurrence of equity investment risks can adversely impact the net assets, financial position and financial performance of BSH.

Furthermore, equity investment risks result from the domestic and non-domestic equity investments of *Bausparkasse Schwäbisch Hall*. The key risk factors are negative changes in equity investment values. The financial position and financial performance of the Issuer can be adversely influenced by a negative change in value or by a dividend distribution from the equity investments that is lower than anticipated.

Operational risk

Operational risk describes the risk of losses due to human behaviour, technological failure, process or project management weaknesses or external events. This includes legal risk, compliance risk, and additionally IT risk. These risks can cause reputation risk and (other) secondary risks.

General operational risks

Operational risks result from the operating business of the *Bausparkasse* and from all business segments. The key risk factors pursuant to the Basel event types are internal or external fraud, disturbances in employment practices and workplace safety, disturbances with customers, products and business practices, material damage, business interruptions, system failures as well as disturbances in execution, delivery and process management. The burden from operating losses can negatively impact the financial position and financial performance of the Issuer.

IT risk/data protection

IT risk, as part of operational risk, describes the risk that the IT infrastructure of the Issuer does not function properly due to technical or external disruptions, despite data back-up systems and other emergency plans being in place. The Issuer is therefore exposed to risks that may arise from the use of information technologies, modern communication systems and other technical systems. This can disrupt the business activities of the Issuer and negatively impact the financial position and financial performance of the Issuer due to the considerable financial expense that may occur.

Furthermore, despite comprehensive measures for the protection of personal data, the Issuer is also exposed to the risk of claims for damages that may arise in connection with the incorrect use of personal data.

Legal and compliance risks

The Issuer is in principle subject to possible legal and compliance risks. Legal risks are such risks that may arise due to a breach of applicable legislation or the requirements of legal amendments or changes in case law. This also comprises the risk of non-compliance with legal requirements due to ignorance, divergent interpretation of legal norms or late implementation of legal requirements. Even if the measures required under applicable law and the relevant processes and guidelines have been implemented, it cannot be ruled out that the Issuer may be exposed to potential claims for damages on the basis of these.

Regulatory risks

As a bank pursuant to the German Banking Act (*Kreditwesengesetz*), the Issuer is subject to supervisory banking regulations. Under these provisions, the Issuer must meet minimum requirements with regard to its equity base, risk management and the prevention of money laundering. The Issuer is exposed to risks due to changes in general regulatory conditions. The supervisory framework is constantly being developed at a national, European and international level. The resulting changes may lead to a restriction on the present activity of the Issuer. Furthermore, compliance with amended or newly introduced supervisory provisions can lead to higher administrative costs and consequently to higher expense ratios. These risks can impact the business of the Issuer and negatively impact the net assets, financial position and financial performance of the Issuer.

Reputation risk

Reputation risk describes the risk of events that negatively impact the reputation of the Issuer and could lead to a significant adverse impact on the business performance, financial position and future prospects of the Issuer.

The key risk factors are unethical practices and loss of reputation due to, for example, unethical practices by employees, non-compliance with social norms or due to losses from other risk types. A deterioration in reputation can negatively impact the operating business, the financial position and financial performance of the Issuer.

Liquidity risk

Liquidity risk can be subdivided into liquidity risk in the sense of an insolvency risk, refinancing risk and market liquidity risk.

Insolvency risk

Liquidity risk is the risk that insufficient liquid funds are available in order to meet payment obligations. Liquidity risk is therefore understood as insolvency risk.

Refinancing risk

Refinancing risk denotes the risk of a loss that may arise from a deterioration in the liquidity spread (as part of the own issue spread) of the Schwäbisch Hall Group. The increase of the liquidity spreads might be

caused by different reasons, for example by a downgrade of the Issuer credit ratings or a downgrade of the ratings of Notes issued or to be issued under this Programme). An increasing liquidity spread for the Issuer means that future liquidity requirements can only be met through increased issue spreads. This can negatively impact the financial performance of the Issuer.

Market liquidity risk

Market liquidity risk is the risk of a loss that may occur due to adverse changes in market liquidity, for example due to a deterioration in market depth or market disturbances, with the result that assets can only be liquidated on the market at a discount and the possibilities of active risk management are limited. Adverse changes to market liquidity can negatively impact the financial position and financial performance of the Issuer. If the available liquidity reserves do not suffice to meet the outstanding payment obligations of the Issuer, this could lead to the insolvency of the Issuer.

Liquidity risks result from the operating business of the *Bausparkasse*. The key risk drivers are the refinancing structure of lending transactions, the uncertainty of committed liquidity, fair value fluctuations, the ability to sell securities and their eligibility to serve as collateral in secured refinancing, the exercising of liquidity options and collective and non-collective new business.

Strategic risk

Strategic risk at Bausparkasse Schwäbisch Hall is the risk of adverse changes due to future strategic (incorrect) decisions by management that lead to a change in corporate structure, which in turn results in higher capital investment or fundamental changes to the business model. Incorrect decisions are also understood to include failures to make a decision, e.g. failure to adjust to a changing economic environment. This could negatively impact the liquidity position or financial position of the Issuer. Changes to the DZ BANK Group structure as well as strategic decisions within the Group or the Genossenschaftliche FinanzGruppe could also negatively impact the business situation of Bausparkasse Schwäbisch Hall as well as the net assets, financial position and financial performance of the Issuer.

Business risk

Business risk denotes the risk of losses from earnings fluctuations that may arise with the given business strategy and are not covered by other risk types. In particular, this includes the risk that the losses cannot be counteracted in purely operating terms due to changes in the relevant economic situation (e.g. regulatory environment, economic and product environment, customer behaviour and competitive situation).

Model risk

Model risk denotes any type of risk that is induced by the selection, specification, implementation and application of a model. In this context, a model is defined as a quantitative method, system or approach in connection with statistical, economic, financial or mathematical theories, techniques and assumptions used to process data that is intended to flow into quantitative estimates. At BSH, models are particularly used in liquidity and risk management and in strategic business planning. Incorrect models can lead to incorrect management decisions. This could negatively impact the financial position and financial performance of the Issuer.

Macroeconomic and other influential factors

Many factors can impair the business of the Issuer that the Issuer can only influence on a limited basis, if at all. These mainly include macroeconomic trends, the competition, the international real estate market, the real estate financing market and the capital market. As a consequence of unforeseen events and changes in the aforementioned areas, the business performance of the Issuer may be substantially worse than expected. In this context, the following scenarios are particularly relevant:

Low-interest environment

Very low interest rates over a longer period can negatively impact the interest margin of the Issuer and therefore ongoing interest income, and as a result negatively impact the financial performance of the Issuer.

Retail property finance

A sustained low-interest-rate environment can lead to an overvaluation of asset prices, including on real estate markets. Subsequently rising interest rates can lead to a significant decline in prices and assets and increase the probability of asset revaluations. The resulting fall in real estate prices could negatively impact potential proceeds from real estate serving as loan collateral. Furthermore, the number of non-performing loans as well as loan defaults may increase (possibly exacerbated by other changes in the macroeconomic environment such as rising unemployment), which then negatively impacts the financial position and financial performance of the Issuer.

Sharp increase in interest rates

A sharp increase in interest rates can lead to a substantial change in customer behaviour. The savings to the Bauspar contracts might decline or be withdrawn and the request for Bauspar loans could increase. These changes might negatively impact the financial position of the Issuer.

Risk factors specific and material to the Notes

Risks relating to the Notes generally

- ***Risk that Notes may not be a suitable investment for all investors***

Each prospective investor in Notes must determine the suitability of that investment in light of his own circumstances. In particular, each prospective investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement to this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of his particular financial situation and the investment(s) he is considering, an investment in the Notes and the impact the Notes will have on his overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes;
- understand thoroughly the Conditions of the relevant Tranche of Notes and be familiar with the behaviour of financial markets; and
- be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect his investment and his ability to bear the applicable risks.

- ***Rating risk***

One or more independent rating agencies may assign ratings to the Issuer or any tranche of Notes. Such ratings may not reflect the potential impacts of all risks related to structure, market, risk factors discussed herein or other factors that may affect the value of the Notes. A rating is not a recommendation to buy, sell or hold Notes issued under this Programme and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Consequences

Accordingly, an investor may suffer losses if the rating assigned to the Issuer or any Notes does not reflect all risks relating to the Issuer or to the Notes. Negative changes in the rating assigned to the Issuer or the Notes may adversely affect the market price of the Notes issued under this Programme and may have a negative impact on the value of the investment made by an investor.

Risks related to the nature of the Notes

- ***Interest rate risk***

- ***Fixed Rate Notes / Step-up and/or Step-down Fixed Rate Notes:*** A holder ("**Holder**") of Fixed Rate Notes is exposed to the risk that interest rate levels rise and as a result, the market price of such Notes

falls. While the nominal interest rate of Fixed Rate Notes as specified in the relevant Final Terms is fixed during the term of such Notes, the current interest rate on the capital market for issues of the same maturity ("**Market Interest Rate**") typically changes on a daily basis.

Consequences

As the Market Interest Rate changes, the price of Fixed Rate Notes also changes, but in the opposite direction. If the Market Interest Rate increases, the price of Fixed Rate Notes typically falls, until the yield of such Notes is approximately equal to the Market Interest Rate for comparable issues. If the Market Interest Rate falls, the price of Fixed Rate Notes typically increases, until the yield of such Notes is approximately equal to the Market Interest Rate for comparable issues. If a Holder of Fixed Rate Notes holds such Notes until maturity, changes in the Market Interest Rate are without relevance to such Holder as the Notes will be redeemed at the principal amount of such Notes. The same risk applies to Step-up Fixed Rate Notes and/or Step-down Fixed Rate Notes if the Market Interest Rates in respect of comparable Notes are higher than rates applicable to such Notes.

- **Floating Rate Notes:** A Holder of Floating Rate Notes is particularly exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance.

Consequences

Floating Rate Notes may be structured to include multipliers or caps or floors, or a combination of those features. In such case, their market value may be more volatile than the market value for Floating Rate Notes that do not include these features. If the amount of interest payable is determined in conjunction with a multiplier greater than one, the effect of changes in the interest rates on interest payable will be increased. The effect of a maximum rate of interest ("**cap**") is that the amount of interest will never rise above and beyond the predetermined cap, so that a Holder will not be able to benefit from any actual favourable development beyond the cap. The profitability could therefore be considerably lower than that of similar Floating Rate Notes without a cap. Neither the current nor the historical value of the relevant floating rate of interest should be taken as an indication of the future development of such floating rate of interest during the term of any Notes.

- **Zero Coupon Notes:** Zero Coupon Notes do not pay current interest but are typically issued at a discount from their nominal value. Instead of periodical interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the Market Interest Rate.

Consequences

A Holder of Zero Coupon Notes is exposed to the risk that interest rate levels rise and as a result, the market price of such Notes falls. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing notes with a similar maturity.

- **Termination and reinvestment risk**

The applicable Final Terms will indicate whether the Issuer may have an ordinary right to terminate the Notes prior to their stated maturity ("**Call Option**") on one or several dates determined beforehand.

Consequences

If the Issuer terminates the Notes prior to maturity a Holder of such Notes is exposed to the risk that due to such early termination its investment may have a lower than expected yield. The Issuer can be expected to exercise its Call Option if the yield on comparable notes in the capital market has fallen, which means that the Issuer exercises its right of termination at an unfavourable point in time for the Holder and the Holder may only be able to reinvest the amount received on less favourable conditions.

- **Risk in connection with a maximum rate of interest (cap)**

If the interest rate of an issue of Notes is not fixed, such issue may also be equipped with a maximum rate of interest ("**cap**").

Consequences

The effect of a cap is that the interest amount will never rise above and beyond the predetermined cap, so that a Holder will not be able to benefit from any actual favourable development beyond the cap. The yield of

Notes with a cap can therefore be considerably lower than that of similar structured Notes without a cap. The Holder bears the risk that interest rate levels rise above the cap and that the market price of the Notes with a cap falls.

- **Risk of default in the cover pool for Pfandbriefe**

In case of an insolvency of the Issuer, a cover pool administrator (*Sachwalter*) will be appointed to dispose and manage all covered assets. Irrespective of the legal requirements under the Pfandbrief Act (*Pfandbriefgesetz*) in connection with the preservation of the value of the cover pool, it cannot be completely ruled out that the cover pool will be insufficient to satisfy all outstanding claims of the Holders.

Consequences

If and to the extent the respective cover pool is not sufficient to fulfill all outstanding payment claims in relation to the Pfandbriefe, the Holders will have a claim against the insolvency estate. However, such claim is likely to result in a loss of the Holders as the insolvency estate may not suffice to cover completely all relevant creditors having claims against the insolvency estate.

Risks related to the admission of the Notes to trading

- **Liquidity risk**

Application has been made to the Luxembourg Stock Exchange for Notes to be issued under this Programme to be admitted to trading on the Regulated Market "*Bourse de Luxembourg*" and to be listed on the Official List of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may be listed on other or further stock exchanges including, but not limited to, certain German stock exchanges or that Notes may not be listed at all.

Consequences

Regardless of whether the Notes are listed or not, a Holder bears the risk that there is no or hardly any exchange trading in these Notes. The Notes can therefore not be sold at all or only with considerable price reductions. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. If the Notes are not listed on any stock exchange, pricing information for such Notes may, however, be more difficult to obtain, which may adversely affect the liquidity of the Notes. The possibility to sell the Notes might additionally be restricted by country specific reasons.

- **Market price risk**

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Notes.

Consequences

A Holder therefore bears the risk that the market price of these Notes falls as a result of the general development of the market. The Holder suffers a loss if he sells his Notes below the purchase price. If a Holder decides to hold the Notes until final maturity the Notes will be redeemed at the amount set out in the relevant Final Terms.

Risks related to Regulation

- **Benchmarks Regulation**

Changes and uncertainty in respect of EURIBOR

Various interest rate benchmarks (including the Euro Interbank Offered Rate ("**EURIBOR**")) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, including Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds ("**Benchmarks Regulation**"), while others are still to be implemented.

Under the Benchmarks Regulation, which became effective as of 1 January 2018, new requirements will apply with respect to the provision of a wide range of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things, (i) require benchmark administrators to be authorised or registered in

the European Union (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered in the European Union (or, if non-EU-based, deemed equivalent or recognised or endorsed).

Consequences

These reforms and other factors may cause one or more interest rate benchmarks (including EURIBOR) to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, investors should, in particular, be aware:

- that any of these reforms or factors described above or any other changes to a relevant interest rate benchmark (including EURIBOR) could affect the level of the published floating rate of interest and therefore the price of the Floating Rate Notes, including to cause it to be lower and/or more volatile than it would otherwise be;
- that, if a relevant interest rate benchmark (including EURIBOR) is discontinued, then the Issuer will be entitled in accordance with the terms and conditions to substitute such relevant interest rate benchmark or even terminate the Floating Rate Notes;
- that a substitution of a relevant interest rate benchmark may have a material adverse effect on the value of and the payment of interest under the Floating Rate Notes;
- of a reinvestment risk in case of termination of the Floating Rate Notes by the Issuer.

• ***Changes in law***

The Terms and Conditions of the Notes as well as the legal requirements to the cover pool are based on German law in effect as at the date of this base prospectus. No assurance can be given as to the impact of any possible judicial decision of change to German law or administrative practice after the date of this Prospectus.

Consequences

In the case of changes in law affecting the Notes or the cover pool regulation, which might directly or indirectly negatively affect the quality of the cover pool, the market price of the Notes issued under this Programme might fall and the risk of potential losses due to insufficient recovery payments from the cover pool might increase.

BAUSPARKASSE SCHWÄBISCH HALL

General information

Legal and commercial name, place of registration, registration number

Bausparkasse Schwäbisch Hall AG is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) in Stuttgart under the registration number HRB 570105. The issuer's legal name is "Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken" and its trade name is "Schwäbisch Hall". The legal entity identifier (LEI) is 529900JZXXU699FCKK89.

Date of incorporation

Bausparkasse Schwäbisch Hall AG was formed in Cologne, Germany on 16 May 1931. The company transferred its seat to Schwäbisch Hall in 1944 and since 1956 it has been named "Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken".

Location of registered office, address, telephone number, legal form, legislation

Bausparkasse Schwäbisch Hall's registered office is located at Crailsheimer Strasse 52, 74523 Schwäbisch Hall, Federal Republic of Germany, telephone: +49 791 46-4646. Bausparkasse Schwäbisch Hall is a stock corporation (*Aktiengesellschaft*) organised under German law.

Cooperative protection system

BSH is affiliated with the bank-related protection scheme operated by BVR Institutssicherung GmbH ("BVR-ISG") in accordance with the legal requirements of the Law on Deposit Guarantee dated 28 May 2015 (Einlagensicherungsgesetz vom 28. Mai 2015 – "EinSiG"). This bank-related protection scheme is officially recognised as a deposit guarantee scheme. Furthermore, BSH is a member of the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. – "BVR") and affiliated with the protection scheme of the BVR (Sicherungseinrichtung des BVR - "Protection Scheme"). BVR-ISG and the Protection Scheme together constitute the protection system of the Volksbanken Raiffeisenbanken cooperative financial network (Sicherungssystem der genossenschaftlichen FinanzGruppe Volksbanken Raiffeisenbanken - "Cooperative Protection System") and are of vital importance for the affiliated institutes as they are a decisive factor in maintaining the credit rating of these banks. The purpose of BVR-ISG and the Protection Scheme is to avert or remedy imminent or existing financial difficulties at the institutes affiliated with the Cooperative Protection System (Institute's Protection Scheme / Institutsschutz), that means to prevent insolvencies. Pursuant to the statutes, the affiliated institutes do not have any legal claim to assistance from BVR-ISG and the Protection Scheme or to their assets.

BVR-ISG

In the case of insolvency of an affiliated institute, BVR-ISG has to repay in the compensation case the deposits within the meaning of section 2 sub-paragraphs 3 to 5 EinSiG up to the maximum ceilings in accordance with section 8 EinSiG. Notes issued under this Prospectus will not be compensated.

Protection scheme

In the case of insolvency of an affiliated institute, the protection of the Protection Scheme goes (in the compensation case) beyond the legal protection as described in the aforementioned paragraph. On the basis of its statutes the Protection Scheme protects, inter alia, all securitised liabilities issued in form of preferred senior notes by the affiliated institutes and held by non-banks. According to the articles of association of the Protection Scheme, BSH has issued a letter of indemnity to BVR-SE. As a result, BSH is liable to contingent liabilities in the amount of EUR 28.1 million as at 31 December 2018.

Description of liquidity

The goal of liquidity management is to ensure the solvency of the *Bausparkasse* (home savings and loan company) at all times. From a regulatory perspective, liquidity is measured using the liquidity coverage ratio (LCR). The performance of the LCR is calculated at least once a month for subsequent months and is subject to an internal early warning limit. In the 2018 financial year, the minimum required regulatory ratio was met or significantly exceeded on every reporting date. As at 31 December 2018, the LCR of Bausparkasse Schwäbisch Hall AG amounted to 406.9 per cent (2017: 793.7 per cent).

All items relevant to liquidity are integrated into the management of the *Bausparkasse's* long-term liquidity. On a daily basis, the existing liquidity reserves are compared to the expected liquidity performance in the normal scenario and various stress scenarios for a projected period of up to ten years. Appropriate limits ensure on a daily basis that freely available liquidity reserves cover possible liquidity gaps over a period of one year in all scenarios. This ensures that potential liquidity problems can be identified early and countermeasures can be introduced where necessary.

The liquidity reserves taken into account within liquidity risk controlling consist primarily of the option to borrow from the European Central Bank (ECB), with the maximum amount depending on the value of the securities portfolio eligible to serve as collateral with the ECB. Furthermore, there are refinancing options within the Volksbanken Raiffeisenbanken cooperative financial network.

Market liquidity risk is taken into account using stress scenarios, where interest- and creditworthiness-related discounts are calculated on the fair value of securities in the liquidity reserve.

Recent events

There are no recent events which could affect the Issuer solvency.

Business overview

Bausparkasse Schwäbisch Hall AG is a socially responsible real estate finance provider for building society operations in the DZ BANK Group. In subsidiary cooperation with around 900 cooperative banks, it is a one-stop shop offering tailor-made concepts domestically for private pensions, asset formation, home ownership and housing financing. The active marketing of the products is performed by more than 3,300 members in the field sales force of Bausparkasse Schwäbisch Hall AG and the cooperative banks. With around 7.2 million customers, Bausparkasse Schwäbisch Hall is the largest *Bausparkasse* (home savings and loan company) in Germany and can point to a successful company history of more than 80 years as a firm partner in the *Genossenschaftliche FinanzGruppe*, the cooperative banks network (GFG). This success has been ensured by the typical advantages of the product and strict government regulation in combination with the qualified advice offered nationwide by the customer support employees in Schwäbisch Hall and the field sales force experts.

According to its Articles of Incorporation, the business activity of Bausparkasse Schwäbisch Hall AG comprises the operation of a *Bausparkasse* pursuant to the German *Bausparkassen* Act and the Regulation on the German *Bausparkassen* Act, the *Pfandbrief* business pursuant to the German *Pfandbrief* Act, and managing the activities of domestic and non-domestic subsidiaries and affiliates.

Non-domestically, Schwäbisch Hall is represented in China, Luxembourg, Slovakia, and – until 31 May 2019 has been in the Czech Republic.

As of 31 May 2019, Bausparkasse Schwäbisch Hall AG has sold its stake in Českomoravská stavební spořitelna, a.s., Prague (ČMSS) to Československá obchodní banka a.s., Prague (ČSOB).

The domestic subsidiaries exchange services with each other and provide services to Bausparkasse Schwäbisch Hall AG.

Its largest domestic subsidiary is Schwäbisch Hall Kreditservice GmbH (SHK), which processes new and existing business on behalf of the Bausparkasse Schwäbisch Hall AG. SHK, with its subsidiary VR

Kreditservice GmbH, Hamburg, is the market leader in the standardised processing of loans and *Bauspar* (contractual savings and loans for housing) products.

The responsibilities of Schwäbisch Hall Facility Management GmbH (SHF) include building management and operation of the Group's head office in Schwäbisch Hall. It also serves further external customers in the Schwäbisch Hall region as well as GFG customers. Schwäbisch Hall Training GmbH (SHT) provides training and personnel development measures for the Schwäbisch Hall Group and other GFG institutions.

BAUFINEX GmbH was founded in 2018 and brokers products of the GFG and external product partners via electronic platforms by acquiring and managing brokers and brokerage organisations.

The Group's non-domestic subsidiaries and equity investments in China, Slovakia and Hungary are *Bausparkassen* (home savings and loan companies) that pursue collective *Bauspar* and housing financing business in their domestic markets in accordance with the German model.

Principal activities

The principal areas of activity of the Issuer comprise the *Bauspar* business, the issuing of property loans to retail customers, cross-selling and non-domestic activities.

The Schwäbisch Hall Group consists of the following three segments: *Bausparen* Domestic, *Bausparen* Non-domestic, and *Bauspar* and Loan Processing.

Bausparen Domestic

The *Bausparen* Domestic segment comprises the traditional *Bauspar* business domestically and at the branch in Luxembourg, housing financing and cross-selling.

It is based on an earmarked advance saving scheme that is strictly regulated and subject to strict statutory safety standards. At the heart of this model is the closed loop of payments made by *Bauspar* customers into savings accounts and the repayments made by borrowers, which provide the funds that serve as a basis for housing financing.

As at the end of 2018, Bausparkasse Schwäbisch Hall had approximately 7.2 million customers, with an honoured stock of contracts amounting to 8.3 million contracts.

BSH new *Bauspar* business in Germany amounted to €29.7 billion in 2018 and consisted of 554,285 newly concluded contracts. The average *Bauspar* sum of newly concluded contracts amounted to €53,583 and was therefore above the level of the previous year (2017: €50,136). The average *Bauspar* sum of the stock of contracts increased by 3.8 per cent to €36,672 as of the end of 2018, while the volume of *Bauspar* deposits increased to €60.6 billion in 2018.

Housing financing comprises the business with traditional *Bauspar* loans, immediate and bridge financing offers, *Riester*-subsidised financing (*Wohn-Riester*), building loans from Schwäbisch Hall and the business from brokering real estate loans for cooperative banks.

In the cross-selling business segment, the *Bausparkasse* provides its field sales force with a demand-oriented product offering tailored to the target groups, with the offering primarily comprised of insurance and pension products and investment funds from GFG companies.

New business in the area of housing financing amounted to €15.2 billion in 2018, while product sales within the framework of cross-selling amounted to €1.3 billion.

Bausparen Non-domestic

The *Bausparen* Non-domestic segment comprises FLK (*Bausparkasse*) as a subsidiary and the joint venture *Bausparkassen* PSS and SGB – as well as until 31 May 2019, the ČMSS – which are included in the consolidated financial statements using the equity method. All of the companies engage in collective *Bausparen* in their domestic markets using the German model.

Bauspar and Loan Processing

In the *Bauspar* and Loan Processing segment, Schwäbisch Hall Kreditservice GmbH (SHK) and its 1,750 employees process new and existing business on behalf of Bausparkasse Schwäbisch Hall AG and take on significant parts of IT support in order to ensure high-quality customer support and the efficient and effective processing of *Bauspar* and lending business.

Organisational structure

The Bausparkasse Schwäbisch Hall AG is part of the DZ BANK Group. The DZ BANK AG holds 96.9 per cent of share capital in Bausparkasse Schwäbisch Hall. DZ BANK AG is a public limited company under German law and the parent company of the DZ BANK Group. As the parent company, DZ BANK AG prepares the consolidated financial statements, in which the Schwäbisch Hall Group is included, in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

The DZ BANK Group is part of the Genossenschaftliche FinanzGruppe, which consists of more than 900 cooperative banks. Measured by the balance sheet total, the GFG is one of the largest financial services organisations in Germany. Furthermore, DZ BANK AG is responsible for liquidity management within the Genossenschaftliche FinanzGruppe. As a corporate bank, DZ BANK AG supports companies and institutions that require a domestically active banking partner who offers the entire spectrum of services of an internationally oriented financial institution with a special focus on Europe. DZ BANK AG also offers its partner institutions and their customers access to international financial markets. The business activities of DZ BANK AG comprise the four strategic business segments of Retail Banking, Corporate Banking, Capital Markets and Transaction Banking.

The consolidated financial statements of Bausparkasse Schwäbisch Hall as at 31 December 2018 include two subsidiaries (31 December 2017: two) and one subgroup (31 December 2017: one) with one subsidiary (31 December 2017: one).

The following table shows the significant equity investments of Bausparkasse Schwäbisch Hall AG as of 1 June 2019. There have been no significant changes since then:

Name	Location of registered office	Sector	Capital share and voting share in %
Fully consolidated subsidiaries			
Schwäbisch Hall Kreditservice GmbH (referred to as SHK)	Schwäbisch Hall, Germany	Activities connected with financial services	100.00
Fundamenta-Lakáskassza Lakástakarékpénztár Zrt. (referred to as FLK)	Budapest, Hungary	Bank (<i>Bausparkasse</i>)	51.25
Fundamenta-Lakáskassza Pénzügyi Közvetítő Kft.	Budapest, Hungary	Activities connected with financial services	51.25
Fully consolidated structured subsidiaries			
UIN Union Investment Institutional Fund No. 817	Frankfurt am Main, Germany	Other financial institutions	---
Joint ventures included using the equity method			
Prvá stavebná sporiteľňa, a.s. (referred to as PSS)	Bratislava, Slovakia	Bank (<i>Bausparkasse</i>)	32.50
Sino-German Bausparkasse Co. Ltd. (referred to as SGB)	Tianjin, China	Bank (<i>Bausparkasse</i>)	24.90
Non-consolidated subsidiaries			
Schwäbisch Hall Facility Management GmbH	Schwäbisch Hall, Germany	Performance of other economic services	51.00
SHT Schwäbisch Hall Training	Schwäbisch Hall,	Activities connected with	100.00

GmbH	Germany	financial services	
BAUFINEX GmbH	Schwäbisch Hall, Germany	Activities connected with financial services	70.00
VR Kreditservice GmbH	Hamburg, Germany	Activities connected with financial services	100.00

Management and supervisory bodies

Bausparkasse Schwäbisch Hall's corporate bodies are the Management Board, the Supervisory Board and the General Meeting of Shareholders. The responsibilities of these various corporate bodies are prescribed in the Stock Corporation Act (*Aktiengesetz* – "**AktG**") and the Issuer's Articles of Incorporation.

Management Board

Pursuant to the Issuer's Articles of Incorporation, the Management Board shall consist of at least three members. The Supervisory Board shall determine the number of members of the Management Board. The Supervisory Board may appoint one chairman of the Management Board and up to two deputies.

The Management Board currently consists of the following persons:

<u>Name</u>	<u>Responsibilities within Bausparkasse Schwäbisch Hall</u>	<u>Principal activities outside of Bausparkasse Schwäbisch Hall</u>
Reinhard Klein Chairman of the Management Board	Chief Executive Officer	Chairman of the Supervisory Board Schwäbisch Hall Kreditservice GmbH, Schwäbisch Hall Vice-Chairman of the Board of Directors Sino-German Bausparkasse Co. Ltd., Tianjin Member of the Supervisory Board V-Bank AG, Munich
Jürgen Gießler	Chief Financial Officer	Chairman of the Supervisory Board Fundamenta-Lakáskassza Lakás- takarékpénztár Zrt., Budapest (Fundamenta-Lakáskassza Bausparkasse AG) Member of the Supervisory Board Sino-German Bausparkasse Co. Ltd., Tianjin
Alexander Lichtenberg	Chief Organization Officer Processing	Speaker of the Directors (<i>Sprecher der Geschäftsführung</i>) Schwäbisch Hall Kreditservice GmbH, Schwäbisch Hall
Peter Magel	Sales and Treasury	Chairman of the Supervisory Board Prvá stavebná sporiteľ'ňa, a. s., Bratislava (Erste Bausparkasse AG) Member of the Supervisory Board Schwäbisch Hall Kreditservice GmbH, Schwäbisch Hall

Bausparkasse Schwäbisch Hall AG shall be legally represented by two members of the Management Board jointly or by one Management Board member with the holder of a special statutory authority (*Prokurist*).

Supervisory Board

Pursuant to Bausparkasse Schwäbisch Hall's Articles of Incorporation, the Supervisory Board shall consist of 20 members, thereof 10 members of the shareholders elected pursuant to the German Stock Corporation Act (*AktG*) and 10 members of the employees elected pursuant to the German Co-determination Act (*Mitbestimmungsgesetz*).

The Supervisory Board currently consists of the following persons:

<u>Name</u>	<u>Function within Bausparkasse Schwäbisch Hall</u>	<u>Principal activity outside of Bausparkasse Schwäbisch Hall</u>
Dr. Cornelius Riese Chairman of the Supervisory Board		Co-Chairman of the Management Board of DZ BANK AG
Ninon Kiesler Vice Chair of the Supervisory Board	Chairwoman of the Workers' Council and employee of Bausparkasse Schwäbisch Hall AG	
Ralf W. Barkey		Chairman of the Management Board of Genossenschaftsverband Verband der Regionen e.V.
Ulrike Brouzi		Member of the Management Board of DZ BANK AG
Bernhard Hallermann		Member of the Management Board of Volksbank Süd-Emsland eG
Andrea Hartmann	Chairwoman of the Joint Workers' Council and employee of Bausparkasse Schwäbisch Hall AG	Member of the Supervisory Board of DZ BANK AG
Frank Hawel		Regional Division Manager of Financial Services ver.di – Vereinte Dienstleistungsgewerkschaft, Region Baden-Württemberg
Roland Herhoffer	Member of the Workers' Council and employee of Schwäbisch Hall Kreditservice GmbH	
Jörg Stahl		Member and Speaker of the Management Board of Volksbank Herrenberg-Nagold-Rottenburg eG
Manfred Klenk	Member of the Workers' Council and employee of Schwäbisch Hall Facility Management GmbH	

Olaf Klose		Member of the Management Board of Deutsche Apotheker- und Ärztebank eG
Marija Kolak		President of Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR)
Dr. Volker Kreuziger	Division Manager Legal and Compliance	
Katharina Kaupp		Deputy Managing Director of ver.di – Vereinte Dienstleistungsgewerkschaft, Bezirk Heilbronn-Neckar-Franken
Sascha Monschauer		Member of the Management Board of Volksbank RheinAhrEifel eG
Wilhelm Oberhofer		Member of the Management Board of Raiffeisenbank Kempten-Oberallgäu eG
Silvia Ofori	Member of the Workers' Council and employee of Schwäbisch Hall Kreditservice GmbH	
Heiko Schmidt	Member of the Workers' Council and employee of Bausparkasse Schwäbisch Hall AG	
Werner Thomann		Chairman of the Management Board of Volksbank Rhein-Wehra eG
Susanne Wenz		Deputy Regional District Manager of ver.di – Vereinte Dienstleistungsgewerkschaft, Region Baden-Württemberg

The members of the Management Board and the Supervisory Board may be contacted at Bausparkasse Schwäbisch Hall's business address: Crailsheimer Strasse 52, 74523 Schwäbisch Hall, Federal Republic of Germany.

General meeting of shareholders

At their annual meeting, the shareholders are, among other things, responsible for the election of the members of the Supervisory Board, deciding on the utilisation of retained earnings, appointment of the auditors and the approval of the financial statements.

There are no potential conflicts of interest of the members of the Management Board and the Supervisory Board in relation to their duties to Bausparkasse Schwäbisch Hall and their private interests and/or other duties.

Trustees

Pursuant to § 7 Pfandbrief Act (*Pfandbriefgesetz*), Bausparkasse Schwäbisch Hall is required to maintain Trustees to ensure that the prescribed cover for the Pfandbriefe exists at all times. To this end the Trustees

supervise whether the assets used to cover the Pfandbriefe are recorded in the relevant cover register in accordance with the Pfandbrief Act (*Pfandbriefgesetz*). Such Trustees are appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*). The Trustees presently appointed are:

- Ulrike Hoffmann, Partner at Tolle.Hoffmann Attorneys at Law, Nürnberg;
- Frank Momber, retired Credit Manager, Untermünkheim.

Major shareholders

As at the date of approval of this Prospectus, the shareholders of the Issuer are DZ BANK AG with a 96.9 per cent ownership and approximately 500 cooperative banks.

Financial information concerning Bausparkasse Schwäbisch Hall's assets and liabilities, financial position and profits and losses

Historical financial information

The following documents are incorporated by reference in, and form part of, this Prospectus (see also section "DOCUMENTS INCORPORATED BY REFERENCE"):

Schwäbisch Hall Group:

- the audited Group Management Report and the consolidated financial statements of Bausparkasse Schwäbisch Hall for the fiscal year ended 31 December 2017 and the Independent auditors' report thereon, together contained in the Issuer's Annual Report 2017 (Finanzbericht 2017) on pages 6-154,
- the audited Combined Management Report and the consolidated financial statements of Bausparkasse Schwäbisch Hall for the fiscal year ended 31 December 2018 and the Independent auditors' report thereon, together contained in the Issuer's Annual Report 2018 (Finanzbericht 2018) on pages 5-180.

Bausparkasse Schwäbisch Hall AG:

- the Management Report, the Balance sheet, the Income statement and the Notes (including the List of Shareholdings), the Independent auditor's report for the fiscal year ended 31 December 2017, each document extracted from the 2017 Annual Financial Statements and Management Report of Bausparkasse Schwäbisch Hall AG,
- the Management Report, the Balance sheet, the Income statement and the Notes (including the List of Shareholdings), the Independent auditor's report for the fiscal year ended 31 December 2018, the Management Report extracted from the Combined Management Report, the other document extracted from the 2018 Annual Financial Statements Bausparkasse Schwäbisch Hall AG;

The above mentioned documents will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Bausparkasse Schwäbisch Hall (www.schwaebisch-hall.de). In addition, copies of the above mentioned documents may be obtained in printed form, free of charge, upon request from Bausparkasse Schwäbisch Hall, Crailsheimer Strasse 52, 74523 Schwäbisch Hall, Federal Republic of Germany.

Financial statements

Schwäbisch Hall Group:

Pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002, the consolidated financial statements of Bausparkasse Schwäbisch Hall for each of the fiscal years ended 31 December 2018 and 2017 have been prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). In addition, further standards adopted by the German Accounting Standards Committee (Deutsches Rechnungslegungs Standards Committee e.V.) have generally been taken into account where such standards have been

published in the German Federal Gazette by the Federal Ministry of Justice (Bundesministerium der Justiz) pursuant to section 342 (2) of the German Commercial Code (Handelsgesetzbuch).

Bausparkasse Schwäbisch Hall AG:

The annual financial statements of Bausparkasse Schwäbisch Hall AG for each of the fiscal years ended 31 December 2018 and 2017 have been prepared in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch) and the Statutory Order on the Accounts of Banks and Financial Services Institutions (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute) and comply with the provisions of the German Stock Corporation Act (AktG).

Auditing of historical annual financial information

The auditor of Bausparkasse Schwäbisch Hall AG for the fiscal years ended 31 December 2018 and 2017 was Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Flughafenstraße 61, 70629 Stuttgart, Federal Republic of Germany.

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the non-consolidated annual financial statements as well as the respective management report of Bausparkasse Schwäbisch Hall AG and the consolidated financial statements as well as the respective group management report for the fiscal year ended 31 December 2018 and has issued an unqualified independent auditor's report thereon. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has also audited the non-consolidated annual financial statements as well as the respective management report of Bausparkasse Schwäbisch Hall AG and the consolidated financial statements as well as the respective group management report for the fiscal year ended 31 December 2017 and has issued an unqualified audit opinion thereon.

The auditor is a member of the Institute of Public Auditors in the Federal Republic of Germany, Incorporated Association (Institut der Wirtschaftsprüfer in Deutschland e.V.) and the Chamber of Public Accountants (Wirtschaftsprüferkammer).

Legal and arbitration proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Issuer is aware) during a period covering at least the previous twelve months that may have, or have had in the recent past, significant effects on Bausparkasse Schwäbisch Hall's financial position or profitability.

Statement of "significant change in the Issuer's financial position"

There has been no significant change in the financial position of Bausparkasse Schwäbisch Hall since 31 December 2018 (the date of the last published audited annual financial statements).

Trend information

Statement of "no material adverse change"

There has been no material adverse change in the prospects of Schwäbisch Hall Konzern since 31 December 2018 (the date of the last published audited annual financial statements).

Material contracts

Bausparkasse Schwäbisch Hall and DZ BANK AG entered into a profit and loss transfer agreement (*Gewinnabführungsvertrag*) as at 22/23 February 2016 pursuant to which, but subject to Section 301 of the German Stock Corporation Act (AktG), Bausparkasse Schwäbisch Hall shall transfer its total profit to DZ BANK AG; pursuant to Section 302 AktG, DZ BANK AG shall compensate any annual loss occurring during the term of the profit and loss transfer agreement in return.

Bausparkasse Schwäbisch Hall and its subsidiary Schwäbisch Hall Kreditservice AG entered into a profit and loss transfer agreement (*Gewinnabführungsvertrag*) as at 04/05 February 2013 pursuant to which, but

subject to Section 301 of the AktG, Schwäbisch Hall Kreditservice AG shall transfer its total profit to Bausparkasse Schwäbisch Hall; pursuant to Section 302 AktG, Bausparkasse Schwäbisch Hall shall compensate any annual loss of Schwäbisch Hall Kreditservice AG occurring during the term of the profit and loss transfer agreement in return.

Issuer credit ratings

One or more independent rating agencies may assign ratings to the Issuer. A rating assesses the creditworthiness of the Issuer and thus informs the investor about the probability of the Issuer being able to redeem invested capital. A rating is not a recommendation to buy, sell or hold Notes issued under this Programme and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Bausparkasse Schwäbisch Hall is rated by Moody's Deutschland GmbH ("**Moody's**")¹.

As at the date of approval of this Prospectus, the ratings assigned to Bausparkasse Schwäbisch Hall by **Moody's** were as follows:

long-term rating: Aa1
short-term rating: P-1

Moody's defines:

A: Obligations rated 'Aa' are judged to be of high quality and are subject to very low credit risk.

Note:

Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

P-1: Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

Documents on display

Copies of the following documents may be obtained in printed form, free of charge, upon request at the head office of Bausparkasse Schwäbisch Hall as specified at the end of this Prospectus:

- Articles of Incorporation (*Satzung*);
- Consolidated Annual Report 2017 (*Finanzbericht 2017*) including the audited consolidated annual financial statements of Bausparkasse Schwäbisch Hall in respect of the fiscal year ended 31 December 2017;
- Consolidated Annual Report 2018 including the audited consolidated annual financial statements of Bausparkasse Schwäbisch Hall in respect of the fiscal year ended 31 December 2018;
- the Management Report, the Balance sheet, the Income statement and the Notes (including the List of Shareholdings), the Independent auditor's report for the fiscal year ended 31 December 2017, each document extracted from the 2017 Annual Financial Statements and Management Report of Bausparkasse Schwäbisch Hall AG;
- the Management Report, the Balance sheet, the Income statement and the Notes (including the List of Shareholdings), the Independent auditor's report for the fiscal year ended 31 December 2018, the

¹ Moody's is established in the European Community and registered since 31 October 2011 under the CRA Regulation. Moody's is included in the "List of registered and certified CRA's" published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

Management Report extracted from the Combined Management Report, the other document extracted from the 2018 Annual Financial Statements Bausparkasse Schwäbisch Hall AG.

GENERAL DESCRIPTION OF THE PROGRAMME

Dealers

Under this Programme, the Issuer may from time to time issue Notes to one or more of the following Dealers: DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main ("**DZ BANK AG**"), DZ PRIVATBANK S.A. and any additional Dealer appointed under this Programme from time to time by the Issuer, which appointment may be for a specific issue or on an ongoing basis. The Notes may be issued on a continuing basis to one or more of the Dealers.

Programme Limit

The maximum aggregate principal amount of all Notes at any one time outstanding under this Programme will not exceed EUR 5,000,000,000. The Issuer may increase the aggregate principal amount of this Programme in accordance with the terms of the dealer agreement dated the date hereof (the "**Dealer Agreement**"). In case of an increase of the Programme Limit, the Issuer will publish a supplement to this Prospectus in accordance with Article 13 of the Luxembourg Law.

Distribution of the Notes

Notes may be distributed by way of an offer to qualified investors (as defined in Article 2 of the Prospectus Directive) only on a syndicated or non-syndicated basis.

Maturity

Notes will be issued with a maturity of twelve months or more.

Transferability of the Notes

The Notes issued under this Programme are freely transferable.

Tranches / Series

Notes will be issued in Tranches, each Tranche consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and forming a single series and identical in all respects, but may have different issue dates, issue prices and/or dates for first interest payments may form a series (the "**Series**") of Notes. Further Notes may be issued as part of an existing Series. The specific terms of each Tranche will be set forth in the relevant Final Terms.

Currency

Subject to any applicable legal or regulatory restrictions and requirements of relevant central banks, the Issuer will issue the Notes in euro.

Denomination

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the relevant Final Terms, save that the minimum denomination of the Notes will be EUR 100,000 at the time of the issue of the Notes.

Issue Price

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par as stated in the relevant Final Terms.

Rating of the Notes

Notes issued pursuant to this Programme may be rated or unrated. A rating is not a recommendation to buy, sell or hold Notes issued under this Programme and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Notes issued under this Programme may adversely affect the market price of the Notes issued under this Programme.

Approval, Admission to Trading and Listing of the Notes

Application has been made to the CSSF, which is the Luxembourg competent authority for the purpose of the Prospectus Directive, for its approval of this Prospectus. By approving this Prospectus, CSSF gives no undertaking as to the economic or financial soundness of the operation or the quality and solvency of the Issuer in line with Article 7 (7) of the Luxembourg Law.

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Programme to be admitted to trading on the Regulated Market "*Bourse de Luxembourg*" which is a regulated market for the purposes of the MiFID II Directive, and to be listed on the Official List of the Luxembourg Stock Exchange. This Programme provides that Notes may be listed on other or further stock exchanges including, but not limited to, certain German stock exchanges, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each Series. Notes may further be issued under this Programme which will not be listed on any stock exchange.

Notification

The Issuer has requested the CSSF to provide the competent authority in the Federal Republic of Germany with a certificate of approval attesting that this Prospectus has been drawn up in accordance with the Luxembourg Law. The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification in which case the Issuer will publish a supplement to this Prospectus in accordance with Article 13 of the Luxembourg Law.

Clearing System / Eurosystem Eligibility

Notes will be accepted for clearing through one or more clearing systems as specified in the relevant Final Terms. These clearing systems will include those operated by Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Federal Republic of Germany ("**CBF**"), Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**") and/or Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium ("**Euroclear**").

If specified in the relevant Final Terms, the Notes are intended to be held in a manner, which would allow Eurosystem eligibility. Therefore, the Notes will be deposited initially upon issue with in the case of (i) a new global note, either CBL or Euroclear as common safekeeper or, (ii) a global note, CBF. That does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Fiscal Agent / Paying Agents

DZ BANK AG will act in general as fiscal agent (the "**Fiscal Agent**") and as Paying Agent as well as in Germany as German Listing Agent.

DZ PRIVATBANK S.A., Strassen, Grand Duchy of Luxembourg, and DZ BANK AG and other institutions, all as indicated in the relevant Final Terms, may act as paying agents (the "**Paying Agents**"). DZ PRIVATBANK S.A., Strassen, Grand Duchy of Luxembourg, will also act as Luxembourg listing agent (the "**Luxembourg Listing Agent**").

ISSUE PROCEDURES

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Notes (the "**Conditions**"). The Conditions will be constituted by the Terms and Conditions of the Notes set forth below (the "**Terms and Conditions**") as substantiated by the provisions of PART I of the applicable Final Terms. Each global note representing the Notes of the relevant Series will have the Conditions attached.

PART I of the Final Terms relating to each Tranche of Notes will specify whether the Conditions will be in the **English language** or the **German language** or both (and, if both, whether the English language version or the German language version is controlling and binding).

TERMS AND CONDITIONS OF THE NOTES

ENGLISH LANGUAGE VERSION

*The Terms and Conditions of the Notes (the "**Terms and Conditions**") are set forth below and apply to*

1. Series of Fixed Rate Pfandbriefe,

2. Series of Floating Rate Pfandbriefe or

3. Series of Zero Coupon Pfandbriefe

which are, in each case, represented by global Pfandbriefe in bearer form.

The Series of Notes is issued pursuant to an Agency Agreement dated 14 June 2019 (the "**Agency Agreement**") between Bausparkasse Schwäbisch Hall and DZ BANK AG as fiscal agent (the "**Fiscal Agent**", which expression shall include any successor fiscal agent thereunder) and the other parties named therein.

The provisions of the following Terms and Conditions apply to the Pfandbriefe as substantiated by the provisions of PART I of the Final Terms which are attached hereto. The provisions of PART I of the Final Terms and the Terms and Conditions, taken together, shall constitute the terms and conditions applicable to each particular Tranche of Pfandbriefe (the "**Conditions**"). Copies of the Conditions may be obtained free of charge at the specified office of the Fiscal Agent and at the specified office of any Paying Agent provided that, in the case of the Pfandbriefe which are not listed on any stock exchange, copies of the relevant Conditions will only be available to Holders of such Pfandbriefe.

TERMS AND CONDITIONS

1. Terms and Conditions of Fixed Rate Pfandbriefe

§ 1

Currency / Denomination / Form / Definitions

(1) *Currency, Denomination.* This Series of Mortgage Pfandbriefe (*Hypothekendarpfandbriefe*) (the "**Pfandbriefe**") of Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (the "**Issuer**") is being issued in euro (EUR) in the aggregate principal amount specified in the Final Terms (subject to sub-paragraph (7) if the Final Terms specify that the Global Pfandbrief is a new global note ("**NGN**")), and in the denomination as specified in the Final Terms (the "**Specified Denomination**" or the "**Principal Amount**").

(2) *Form.* The Pfandbriefe are issued in bearer form and represented by one or more global notes (each a "**Global Pfandbrief**").

(3) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are represented by a Permanent Global Pfandbrief.*

Permanent Global Pfandbrief. The Pfandbriefe are represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**") without interest coupons. The Permanent Global Pfandbrief shall be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(4) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are initially represented by a Temporary Global Pfandbrief.*

(a) *Temporary Global Pfandbrief.* The Pfandbriefe are initially represented by a temporary global Pfandbrief (the "**Temporary Global Pfandbrief**") without coupons. The Temporary Global Pfandbrief will be exchangeable for Pfandbriefe in the Specified Denomination represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**") without interest coupons. The Temporary Global Pfandbrief and the Permanent Global Pfandbrief shall each be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(b) *Exchange.* The Temporary Global Pfandbrief shall be exchangeable for the Permanent Global Pfandbrief from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Pfandbrief. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Pfandbriefe represented by the Temporary Global

Pfandbrief is not a U.S. person (other than certain financial institutions or certain persons holding Pfandbriefe through such financial institutions) as required by U.S. tax law. Payment of interest on Pfandbriefe represented by a Temporary Global Pfandbrief will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Pfandbrief will be treated as a request to exchange such Temporary Global Pfandbrief pursuant to this sub-paragraph (b). Any Pfandbriefe delivered in exchange for the Temporary Global Pfandbrief shall be delivered only outside of the United States (as defined sub-paragraph (c)).

(c) *United States.* For purposes of sub-paragraph (b), "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(5) *Clearing System.* The Global Pfandbrief will be kept in custody by or on behalf of a Clearing System. For these purposes and as specified in the Final Terms, "**Clearing System**" means

- (a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Federal Republic of Germany ("**CBF**"); and/or
- (b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**"); and/or
- (c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium ("**Euroclear**").

CBL and Euroclear are each an international central securities depository ("**ICSD**" and together the "**ICSDs**").

The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a NGN.

The Pfandbriefe are issued in NGN form and are kept in custody by a common safekeeper on behalf of both ICSDs.

*The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a classical global note ("**CGN**").*

The Pfandbriefe are issued in CGN form and are kept in custody by a common depository on behalf of both ICSDs.

(6) *Holder of Pfandbriefe.* "**Holder**" is any holder of a proportionate co-ownership or other right in the Pfandbriefe.

(7) *The following sub-paragraphs apply if the Final Terms specify that the Global Pfandbrief and the Temporary Global Pfandbrief, respectively, are a NGN.*

Records of the ICSDs. The aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief shall be the aggregate principal amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Pfandbriefe) shall be conclusive evidence of the aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief and, for these purposes, a statement issued by an ICSD stating the aggregate principal amount of Pfandbriefe so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Pfandbriefe represented by the Global Pfandbrief the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Pfandbrief shall be entered pro rata in the records of the ICSDs and, upon

any such entry being made, the aggregate principal amount of the Pfandbriefe recorded in the records of the ICSDs and represented by the Global Pfandbrief shall be reduced by the aggregate principal amount of the Pfandbriefe so redeemed or purchased and cancelled or by the aggregate principal amount of such instalment so paid.

On an exchange of a portion only of the Pfandbriefe represented by a Temporary Global Pfandbrief, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

§ 2

Interest

The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe shall bear interest at a fixed rate throughout their entire term.

(1) *Rate of Interest/Interest Payment Dates.* Subject to § 4 sub-paragraph (1) of these Terms and Conditions (if the Final Terms specify the option of early redemption by the Issuer), the Pfandbriefe will bear interest on the Specified Denomination from and including the interest commencement date as specified in the Final Terms (the "**Interest Commencement Date**") up to but excluding the Maturity Date pursuant to § 3 of these Terms and Conditions at the rate of interest per annum as specified in the Final Terms. Interest will be payable in arrears on each date as specified in the Final Terms (the "**Interest Payment Date**") and on the Maturity Date. If broken interest amounts are payable on the Pfandbriefe (short/long first/last coupon), such amounts will be specified in the Final Terms.

The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe shall bear interest at fixed rates that step up and/or step down over the term.

(2) *Rates of Interest/Interest Payment Dates.* Subject to § 4 sub-paragraph (1) of these Terms and Conditions (if the Final Terms specify the option of early redemption by the Issuer), the Pfandbriefe will bear interest on the Specified Denomination from and including the interest commencement date as specified in the Final Terms (the "**Interest Commencement Date**") up to but excluding the Maturity Date pursuant to § 3 of these Terms and Conditions at the increasing and/or decreasing rates of interest per annum as specified in the Final Terms. Interest will be payable in arrears on each date as specified in the Final Terms (the "**Interest Payment Date**") and on the Maturity Date. If broken interest amounts are payable on the Pfandbriefe (short/long first/last coupon), such amounts will be specified in the Final Terms.

(3) *Business Day Convention.* If any Interest Payment Date would otherwise fall on a day which is not a Business Day in accordance with sub-paragraph (e), then,

- (a) if the Final Terms specify "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day; or
- (b) if the Final Terms specify "**FRN Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the period as specified in the Final Terms after the preceding applicable Interest Payment Date; or
- (c) if the Final Terms specify "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or

- (d) if the Final Terms specify "**Preceding Business Day Convention**", such Interest Payment Date shall be the immediately preceding Business Day.

The following sub-paragraph applies if the Final Terms specify that interest shall be adjusted.

Adjustment of Interest. If the due date for payment is brought forward or postponed, the amount of interest shall be adjusted accordingly.

The following sub-paragraph applies if the Final Terms specify that interest shall not be adjusted.

No Adjustment of Interest. The Holder shall not be entitled to further interest or other payment in respect of any such postponement.

- (e) *Business Day.* For purposes of sub-paragraphs (a), (b), (c) or (d) and as specified in the Final Terms, "**Business Day**" means a day (other than a Saturday or a Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) settle payments.

(4) *Accrual of Interest.* The Pfandbriefe shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Pfandbriefe in full or in part on the Maturity Date pursuant to § 3 of these Terms and Conditions, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from the Maturity Date pursuant to § 3 of these Terms and Conditions until the expiry of the day preceding the day of the actual redemption of the Pfandbriefe at the default rate of interest established by law².

(5) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction as defined in sub-paragraph (6) below and as specified in the Final Terms.

(6) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of the interest amount on any Pfandbrief for any period of time (the "**Calculation Period**"):

- (a) if "**Actual/Actual (ICMA Rule 251)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period; or
- (b) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365; or
- (c) if "**Actual/365 (Sterling)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366; or
- (d) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 360; or
- (e) if "**30/360, 360/360 or Bond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month); or

² *The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (Bürgerliches Gesetzbuch).*

- (f) if "**30E/360 or Eurobond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360 (such number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month.

§ 3

Redemption

Redemption at Final Maturity. Unless previously redeemed or repurchased and cancelled, the Issuer will redeem the Pfandbriefe at par on the maturity date (the "**Maturity Date**") as specified in the Final Terms.

§ 4

Early Redemption

- (1) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are subject to Early Redemption at the option of the Issuer (Call Option):*

Early Redemption at the option of the Issuer (Call Option). The Issuer shall have the right upon giving notice in accordance with § 10 of these Terms and Conditions to terminate the Pfandbriefe, in whole but not in part, subject to a minimum notice period (as specified in the Final Terms), with effect to the Call Redemption Date(s) (as specified in the Final Terms) at the early redemption amount (the "**Early Redemption Amount**").

The Early Redemption Amount is the Principal Amount plus accrued interest, if any.

- (2) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are not subject to Early Redemption at the option of the Issuer and of a Holder:*

Early Redemption. Neither the Issuer nor any Holder shall be entitled to any termination of the Pfandbriefe.

§ 5

Payments / Fiscal Agent / Paying Agent

- (1) *Payments of Principal and/or Interest/Discharge.* Any amounts payable under these Terms and Conditions shall be paid by the Fiscal Agent and/or Paying Agent as specified in the Final Terms to, or to the order of, the Clearing System for credit to the accounts of the relevant account holders for subsequent transfer to the Holders. The Issuer will be discharged from its payment obligation to the Holders by payment to, or to the order of, the Clearing System.

- (2) *The following sub-paragraph applies if the Final Terms specify that interest is payable on a Temporary Global Pfandbrief.*

Payment of interest on Pfandbriefe represented by the Temporary Global Pfandbrief shall be made, subject to sub-paragraph (3), by the Fiscal Agent and/or Paying Agent as specified in the Final Terms to, or to the order of, the Clearing System for credit to the accounts of the relevant account holders, upon due certification as provided in § 1 sub-paragraph (4) (b) of these Terms and Conditions, for subsequent transfer to the Holders.

(3) *Manner of Payment.* Payments of amounts due in respect of the Pfandbriefe shall be made in Euro. Notwithstanding the provisions of § 8 of these Terms and Conditions, payments of amounts due on the Pfandbriefe will be subject in all cases to any fiscal and other laws and regulations applicable thereto in the place of payment.

(4) *Payment Date.* If the date for payment of any amount in respect of any Pfandbrief is not a Payment Date then the Holder shall not be entitled to payment until the next such day in the relevant place of business and shall not be entitled to further interest or other payment in respect of such delay. For these purposes and as specified in the Final Terms, "**Payment Date**" means a day (other than a Saturday or a Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross Settlement Express Transfer System2 (TARGET2) settle payments.

(5) *Deposit of Principal and/or Interest.* The Issuer may deposit with the Local Court (*Amtsgericht*) in Stuttgart principal and/or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

(6) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or any Paying Agent (as specified in the Final Terms) and to appoint another Fiscal Agent and/or additional or other Paying Agents. The Issuer shall at all times maintain a Fiscal Agent and/or a Paying Agent (which may be the Fiscal Agent). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 10 of these Terms and Conditions.

(7) *Agents of the Issuer.* The Fiscal Agent and/or the Paying Agent in such capacity are acting solely as agents of the Issuer and no relationship of agency or trust exists between the Fiscal Agent and/or the Paying Agent and the Holders of the Pfandbriefe. The Fiscal Agent and/or the Paying Agent in making, omitting or accepting declarations, in acting or failing to act shall only be liable in so far as they have violated the due care of a proper merchant (*Sorgfalt eines ordentlichen Kaufmanns*).

§ 6

Presentation Period

Presentation Period. The presentation period for Pfandbriefe due provided in § 801 sub-paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years. The period for prescription for Pfandbriefe presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 7

Status

Status. The Pfandbriefe constitute unsubordinated obligations of the Issuer ranking *pari passu* among themselves. The Pfandbriefe are covered in accordance with the German Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under Mortgage Pfandbriefe (*Hypothekenpfandbriefe*).

§ 8

Taxation

Taxation. All amounts of principal and/or interest payable in respect of the Pfandbriefe shall be paid without withholding or deduction for or on account of any present or future taxes, duties or governmental charges of whatever nature imposed or levied by way of withholding or deduction at source (*Quellensteuer*) by or in or for the account of the Federal Republic of Germany or by or for the account of any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which case the Issuer shall pay no additional amounts in relation to that withholding or deduction.

§ 9

Issue of further Pfandbriefe / Purchase / Cancellation

- (1) *Issue of further Pfandbriefe.* The Issuer may from time to time, without the consent of the Holders, issue further Pfandbriefe having the same terms and conditions as the Pfandbriefe in all respects (or in all respects except for the issue date and/or issue price) so as to form a single Series with the Pfandbriefe and increase the aggregate principal amount of such Series.
- (2) *Purchase.* The Issuer may at any time purchase Pfandbriefe in any market or otherwise and at any price. Pfandbriefe purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation.
- (3) *Cancellation.* All Pfandbriefe redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 10

Notices

- (1) *Publication in the Federal Republic of Germany.* All notices concerning the Pfandbriefe shall be published in the Federal Gazette (*Bundesanzeiger*). Any notice so given will be deemed to have been validly given on the date of such publication.
- (2) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are admitted to trading on the Regulated Market "Bourse de Luxembourg" of the Luxembourg Stock Exchange and are listed on the Official List of the Luxembourg Stock Exchange and/or on any other or further stock exchange.*
 - (a) *Publication in a Daily Newspaper.* In addition to publication set forth in sub-paragraph (1) and if legally required, all notices concerning the Pfandbriefe shall be published in a leading daily newspaper (as specified in the Final Terms) having general circulation in the state in which the stock exchange has its registered office (as specified in the Final Terms). Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).
 - (b) *Publication on the Website.* In addition to publication set forth in sub-paragraph (1), all notices concerning the Pfandbriefe shall be published on the website (as specified in the Final Terms) of the stock exchange as specified in the Final Terms. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).

§ 11

Applicable Law / Place of Jurisdiction / Enforcement

(1) *Applicable Law.* The Pfandbriefe, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Place of Jurisdiction.* The District Court (*Landgericht*) in Stuttgart shall be non-exclusive place of jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Pfandbriefe. The jurisdiction of such court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) or persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).

(3) *Enforcement.* Any Holder of Pfandbriefe may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, enforce in his own name his rights arising under such Pfandbriefe on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Pfandbriefe (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Pfandbriefe credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), (ii) a copy of the Global Pfandbrief certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such Proceedings of the actual records or the Global Pfandbrief representing the Pfandbriefe or (iii) any other means of proof, provided that such means are legally permitted for the assertion of the legal proceedings.

For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Pfandbriefe and includes the Clearing System.

2. Terms and Conditions of Floating Rate Pfandbriefe

§ 1

Currency / Denomination / Form / Definitions

(1) *Currency, Denomination.* This Series of Mortgage Pfandbriefe (*Hypothekendarpfandbriefe*) (the "**Pfandbriefe**") of Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (the "**Issuer**") is being issued in euro (EUR) in the aggregate principal amount specified in the Final Terms (subject to sub-paragraph (7) if the Final Terms specify that the Global Pfandbrief is a new global note ("**NGN**")), and in the denomination as specified in the Final Terms (the "**Specified Denomination**" or the "**Principal Amount**").

(2) *Form.* The Pfandbriefe are issued in bearer form and represented by one or more global notes (each a "**Global Pfandbrief**").

(3) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are represented by a Permanent Global Pfandbrief.*

Permanent Global Pfandbrief. The Pfandbriefe are represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**") without interest coupons. The Permanent Global Pfandbrief shall be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(4) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are initially represented by a Temporary Global Pfandbrief.*

(a) *Temporary Global Pfandbrief.* The Pfandbriefe are initially represented by a temporary global Pfandbrief (the "**Temporary Global Pfandbrief**") without coupons. The Temporary Global Pfandbrief will be exchangeable for Pfandbriefe in the Specified Denomination represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**") without interest coupons. The Temporary Global Pfandbrief and the Permanent Global Pfandbrief shall each be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe and interest coupons will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(b) *Exchange.* The Temporary Global Pfandbrief shall be exchangeable for the Permanent Global Pfandbrief from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Pfandbrief. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Pfandbriefe represented by the Temporary Global Pfandbrief is not a U.S. person (other than certain financial institutions or certain persons holding Pfandbriefe through such financial institutions) as required by U.S. tax law. Payment of interest on Pfandbriefe represented by a Temporary Global Pfandbrief will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Pfandbrief will be treated as a request to exchange such Temporary Global Pfandbrief pursuant to this sub-paragraph (b). Any Pfandbriefe delivered in exchange for the Temporary Global Pfandbrief shall be delivered only outside of the United States (as defined sub-paragraph (c)).

(c) *United States*. For purposes of sub-paragraph (b), "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(5) *Clearing System*. The Global Pfandbrief will be kept in custody by or on behalf of a Clearing System. For these purposes and as specified in the Final Terms, "**Clearing System**" means

(a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Federal Republic of Germany ("**CBF**"); and/or

(b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**"); and/or

(c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium ("**Euroclear**").

CBL and Euroclear are each an international central securities depository ("**ICSD**" and together the "**ICSDs**").

The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a NGN.

The Pfandbriefe are issued in NGN form and are kept in custody by a common safekeeper on behalf of both ICSDs.

*The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a classical global note ("**CGN**").*

The Pfandbriefe are issued in CGN form and are kept in custody by a common depository on behalf of both ICSDs.

(6) *Holder of Pfandbriefe*. "**Holder**" is any holder of a proportionate co-ownership or other right in the Pfandbriefe.

(7) *The following sub-paragraphs apply if the Final Terms specify that the Global Pfandbrief and the Temporary Global Pfandbrief, respectively, are a NGN.*

Records of the ICSDs. The aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief shall be the aggregate principal amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Pfandbriefe) shall be conclusive evidence of the aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief and, for these purposes, a statement issued by an ICSD stating the aggregate principal amount of Pfandbriefe so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Pfandbriefe represented by the Global Pfandbrief the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Pfandbrief shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Pfandbriefe recorded in the records of the ICSDs and represented by the Global Pfandbrief shall be reduced by the aggregate principal amount of the Pfandbriefe so redeemed or purchased and cancelled or by the aggregate principal amount of such instalment so paid.

On an exchange of a portion only of the Pfandbriefe represented by a Temporary Global Pfandbrief, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

§ 2
Interest

(1) *Floating Rate of Interest/Interest Payment Dates.* Subject to § 4 sub-paragraph (1) of these Terms and Conditions (if the Final Terms specify the option of early redemption by the Issuer), the Pfandbriefe will bear interest on the Specified Denomination from and including the interest commencement date as specified in the Final Terms (the "**Interest Commencement Date**") up to but excluding the Maturity Date pursuant to § 3 of these Terms and Conditions at the floating rate of interest as specified in the Final Terms (the "**Floating Rate of Interest**"). The Floating Rate of Interest will be determined by the calculation agent as specified in the Final Terms (the "**Calculation Agent**") pursuant to the following provisions. Interest will be payable in arrears on the dates as specified in the Final Terms (the "**Interest Payment Dates**").

(2) *Business Day Convention.* If any Interest Payment Date would otherwise fall on a day which is not a Business Day in accordance with sub-paragraph (e), then,

- (a) if the Final Terms specify "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be the immediately preceding Business Day; or
- (b) if the Final Terms specify "**FRN Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the period as specified in the Final Terms after the preceding applicable Interest Payment Date; or
- (c) if the Final Terms specify "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (d) if the Final Terms specify "**Preceding Business Day Convention**", such Interest Payment Date shall be the immediately preceding Business Day.

The following sub-paragraph applies if the Final Terms specify that interest shall be adjusted.

Adjustment of Interest. If the due date for payment is brought forward or postponed, the amount of interest shall be adjusted accordingly.

The following sub-paragraph applies if the Final Terms specify that interest shall not be adjusted.

No Adjustment of Interest. The Holder shall not be entitled to further interest or other payment in respect of any such postponement.

(e) *Business Day.* For purposes of sub-paragraphs (a), (b), (c) or (d) and as specified in the Final Terms, "**Business Day**" means a day (other than a Saturday or a Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross Settlement Express Transfer System2 (TARGET2) settle payments.

(3) *Interest Period.* The period between the Interest Commencement Date (including) and the last day (including) preceding the first Interest Payment Date and from each Interest Payment Date (including) to the last day (including) preceding the following Interest Payment Date and for the last time the last day (including) preceding the Maturity Date hereinafter referred to as "**Interest Period**" as specified in the Final Terms.

(4) *Reference Rate of Interest.*

(a) *The following sub-paragraphs apply if the Final Terms specify **EURIBOR (Euro Interbank Offered Rate)** as the reference rate of interest:*

- (i) The Floating Rate of Interest applicable to the Pfandbriefe for the relevant Interest Period corresponds to the EURIBOR rate for euro-deposits (as specified in the Final Terms) for the relevant Interest Period as determined in accordance with sub-paragraphs (ii), (iii), (iv) or (v) and multiplied by the "**Factor**", if applicable, (as specified in the Final Terms) and plus/minus the "**Margin**" expressed as a percentage rate per annum, if applicable, (as specified in the Final Terms).

The following sub-paragraph applies if the Final Terms specify a Minimum Rate of Interest:

Minimum Rate of Interest. If the Floating Rate of Interest in respect of any Interest Period determined in accordance with the following provisions is lower than the Minimum Rate of Interest as specified in the Final Terms, the Floating Rate of Interest for such Interest Period shall be the Minimum Rate of Interest as specified in the Final Terms.

The following sub-paragraph applies if the Final Terms specify a Maximum Rate of Interest:

Maximum Rate of Interest. If the Floating Rate of Interest in respect of any Interest Period determined in accordance with the following provisions is higher than the Maximum Rate of Interest as specified in the Final Terms, the Floating Rate of Interest for such Interest Period shall be the Maximum Rate of Interest as specified in the Final Terms.

- (ii) On the interest determination date as specified in the Final Terms (the "**Interest Determination Date**") the Calculation Agent shall determine the Floating Rate of Interest for the Interest Period following the respective Interest Determination Date by reference to the EURIBOR rate for euro deposits for the relevant Interest Period quoted by the member banks of the EURIBOR panel which appears on the screen page, Reuters EURIBOR01 (or on any other substitute page of Reuters or of any other determined information provider or successor) at about 11:00 a.m. (Brussels time), multiplied by the Factor, if applicable, and plus/minus the Margin, if applicable.
- (iii) If the screen page in accordance with sub-paragraph (ii) is not available or if no such EURIBOR rate appears at the specified time in accordance with sub-paragraph (ii), the Calculation Agent shall request four selected major banks in the Euro-Zone interbank market to provide the Calculation Agent with their offered quotations (each expressed as a percentage rate *per annum*) for euro-deposits to prime banks in the Euro-Zone interbank market for the relevant Interest Period and in an amount that is representative for a single transaction on the respective Interest Determination Date at about 11:00 a.m. (Brussels time) on the respective Interest Determination Date. "**Euro-Zone**" means the region comprised of those Member States of the European Union that have adopted the euro in accordance with the Treaty establishing the European Community, as amended. If two or more of the four selected major banks in the Euro-Zone interbank market provide the Calculation Agent with such offered quotations, the Floating Rate of Interest for the relevant Interest Period shall be the arithmetic mean (rounded if necessary to the nearest 1/1,000 per cent, with 0.0005 being rounded upwards) of such offered quotations multiplied by the Factor, if applicable, and plus/minus the Margin, if applicable, as determined by the Calculation Agent.
- (iv) If on the respective Interest Determination Date only one or none of the four selected major banks in the Euro-Zone interbank market provides the Calculation Agent with such offered quotations as provided for in the preceding sub-paragraph (iii), the Floating Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest 1/1,000 per cent, with 0.0005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by major banks in the Euro-Zone interbank market, selected by the Calculation Agent with reasonable care, at which they offer at about 11:00 a.m. (Brussels time) on the respective Interest Determination Date euro-denominated loans for the relevant Interest Period to leading European banks

and in an amount that is representative for a single transaction on the respective Interest Determination Date, multiplied by the Factor, if applicable, and plus/minus the Margin, if applicable.

- (v) If on any Interest Determination Date the EURIBOR rate cannot be determined in accordance with sub-paragraphs (ii), (iii) or (iv) the Floating Rate of Interest for the succeeding Interest Period shall be determined by the Calculation Agent. The EURIBOR rate applicable to the calculation of the Floating Rate of Interest will be the last published EURIBOR rate for euro deposits for the relevant Interest Period determined by the Calculation Agent which appears on Reuters page EURIBOR01 (or on any other substitute page of Reuters or of any other determined information provider or successor) during a period of ten Business Days immediately preceding the Interest Determination Date.
- (vi) If the EURIBOR rate for the relevant Interest Period (as specified in the Final Terms) ceases to exist and a suitable substitute reference rate of interest is available which either is officially announced as successor to the EURIBOR rate or, failing that, in the opinion of the Issuer, comes as close as possible to the composition of the existing EURIBOR rate, the existing EURIBOR rate will be replaced for the remaining term to maturity of the Pfandbriefe by such substitute reference rate of interest, provided that, in accordance with Article 29 sub-paragraph (1) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**"), the substitute reference rate of interest (x) will be provided by an administrator located in the European Union and which will be included in the register as referred to Article 36 of the Benchmarks Regulation or (y) will be provided by an administrator located in a third country for use in the European Union and the substitute reference rate of interest as well as the administrator will be included in the register as referred to Article 36 of the Benchmarks Regulation. Notice of any such substitution shall be published in accordance with § 10 of these Terms and Conditions.
- (vii) If the EURIBOR rate for the relevant Interest Period (as specified in the Final Terms) ceases to exist and a suitable substitute reference rate of interest in accordance with sub-paragraph (vi) is not available, the Pfandbriefe may be early terminated, in whole but not in part, at the option of the Issuer, under observance of a termination period of not less than 30 and not more than 60 days' notice to the Holders in accordance with § 10 of these Terms and Conditions and may be redeemed at their relevant Early Redemption Amount in accordance with § 4 sub-paragraph (1) of these Terms and Conditions.

Business Day in the meaning of this sub-paragraph (a) means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) settles payments.

- (b) *The following sub-paragraphs apply if the Final Terms specify a **CMS (Constant Maturity Swap) rate** as the reference rate of interest:*
 - (i) The Floating Rate of Interest applicable to the Pfandbriefe for the relevant Interest Period corresponds to the Year Swap Rate (the middle swap rate against the EURIBOR as specified in the Final Terms) (the "**Swap Rate**") (as specified in the Final Terms) as determined in accordance with sub-paragraphs (ii), (iii) or (iv) and multiplied by the "**Factor**", if applicable, (as specified in the Final Terms) and plus/minus the "**Margin**" expressed as a percentage rate per annum, if applicable, (as specified in the Final Terms).

The following sub-paragraph applies if the Final Terms specify a Minimum Rate of Interest:

Minimum Rate of Interest. If the Floating Rate of Interest in respect of any Interest Period determined in accordance with the following provisions is lower than the Minimum Rate of Interest as specified in the Final Terms, the Floating Rate of Interest for such Interest Period shall be the Minimum Rate of Interest as specified in the Final Terms.

The following sub-paragraph applies if the Final Terms specify a Maximum Rate of Interest:

Maximum Rate of Interest. If the Floating Rate of Interest in respect of any Interest Period determined in accordance with the following provisions is higher than the Maximum Rate of Interest as specified in the Final Terms, the Floating Rate of Interest for such Interest Period shall be the Maximum Rate of Interest as specified in the Final Terms.

- (ii) On the interest determination date as specified in the Final Terms (the "**Interest Determination Date**") the Calculation Agent shall determine the Floating Rate of Interest for the Interest Period following the respective Interest Determination Date by reference to the Swap Rate which appears on the screen page, Reuters ICESWAP2 (or on any other substitute page of Reuters or of any other determined information provider or successor) at about 11:00 a.m. (Frankfurt time), multiplied by the Factor, if applicable, and plus/minus the Margin, if applicable.
- (iii) If the screen page in accordance with sub-paragraph (ii) is not available or if no such Swap Rate appears at the specified time in accordance with sub-paragraph (ii), the Calculation Agent shall request five leading swap dealers in the Euro-Zone interbank market to provide the Calculation Agent with their offered quotations (each expressed as a percentage rate *per annum*) for the relevant mid-market annual swap rate to a recognised swap dealer in the Euro-Zone interbank market for the relevant Interest Period and in an amount that is representative for a single swap transaction on the respective Interest Determination Date at about 11:00 a.m. (Frankfurt time) on the respective Interest Determination Date. "**Euro-Zone**" means the region comprised of those Member States of the European Union that have adopted the euro in accordance with the Treaty establishing the European Community, as amended. If at least three of the five requested leading swap dealers in the Euro-Zone interbank market provide the Calculation Agent with such offered quotations, the Floating Rate of Interest for the relevant Interest Period shall be the arithmetic mean (rounded if necessary to the nearest 1/100,000 per cent, with 0.000005 being rounded upwards) of such offered quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) multiplied by the Factor, if applicable, and plus/minus the Margin, if applicable, as determined by the Calculation Agent.
- (iv) If on any Interest Determination Date the Swap Rate cannot be determined in accordance with sub-paragraphs (ii) or (iii) the Floating Rate of Interest for the succeeding Interest Period shall be determined by the Calculation Agent. The Swap Rate applicable to the calculation of the Floating Rate of Interest will be the last published Swap Rate for the relevant Interest Period determined by the Calculation Agent which appears on Reuters page ICESWAP2 (or on any other substitute page of Reuters or of any other determined information provider or successor) during a period of ten Business Days immediately preceding the Interest Determination Date.
- (v) If the Swap Rate for the relevant Interest Period ceases to exist and a suitable substitute reference rate of interest is available which either is officially announced as successor to the Swap Rate or, failing that, in the opinion of the Issuer, comes as close as possible to the composition of the existing Swap Rate, the existing Swap Rate will be replaced for the remaining term to maturity of the Pfandbriefe by such substitute reference rate of interest, provided that, in accordance with Article 29 sub-paragraph (1) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**Benchmarks Regulation**"), the substitute reference rate of interest (x) will be provided by an administrator located in the European Union and which will be included in the register as referred to Article 36 of the Benchmarks Regulation or (y) will be provided by an administrator located in a third country for use in the European Union and the substitute reference rate of interest as well as the administrator will be included in the register as referred to Article 36 of the Benchmarks Regulation. Notice of any such substitution shall be published in accordance with § 10 of these Terms and Conditions.
- (vi) If the Swap Rate for the relevant Interest Period ceases to exist and a suitable substitute reference rate of interest in accordance with sub-paragraph (v) is not available, the Pfandbriefe may be early terminated, in whole but not in part, at the option of the Issuer, under observance of a termination period of not less than 30 and not more than 60 days' notice to the

Holders in accordance with § 10 of these Terms and Conditions and may be redeemed at their relevant Early Redemption Amount in accordance with § 4 sub-paragraph (1) of these Terms and Conditions.

Business Day in the meaning of this sub-paragraph (b) means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) settles payments.

(5) *Interest Amount.* The Calculation Agent will calculate on each Interest Determination Date the interest amount payable on the aggregate principal amount of the Pfandbriefe (as specified in the Final Terms) and/or on the Specified Denomination of the Pfandbriefe (as specified in the Final Terms) for the respective Interest Period by applying the Floating Rate of Interest for the respective Interest Period to the aggregate principal amount of the Pfandbriefe and/or to the Specified Denomination of the Pfandbriefe, multiplying the product by the Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant currency, half of any such sub-unit being rounded upwards.

(6) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of the interest amount on any Pfandbrief for any period of time (the "**Calculation Period**"):

- (a) if "**Actual/Actual (ICMA Rule 251)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by the actual number of days in the respective Interest Period; or
- (b) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365; or
- (c) if "**Actual/365 (Sterling)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366; or
- (d) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 360; or
- (e) if "**30/360, 360/360 or Bond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month); or
- (f) if "**30E/360 or Eurobond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360 (such number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(7) *Publication of Floating Rate of Interest, Interest Amount and Interest Payment Date.* The Calculation Agent shall arrange for the publication in accordance with § 10 of these Terms and Conditions of the respective Floating Rate of Interest determined for the respective Interest Period, the interest amount payable on the aggregate principal amount of the Pfandbriefe and/or on the Specified Denomination of the Pfandbriefe and the Interest Payment Date. In the event of an extension or shortening of the Interest Period, the interest amount payable and the Interest Payment Date may subsequently be corrected, or appropriate alternative arrangements may be made by way of adjustment by the Calculation Agent without a publication being necessary with regard thereto. In all other respects, the determination of the relevant Floating Rates of Interest and the interest amounts payable in each instance, when made in accordance with the preceding sub-paragraphs (1) to (6), shall be binding upon all parties. The Holders do not have any claims against the Calculation Agent regarding the way of handling or not handling its rights, duties and discretionary decisions resulting out of this sub-paragraph (7).

(8) *Accrual of Interest.* The Pfandbriefe shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Pfandbriefe in full or in part on the Maturity Date pursuant to § 3 of these Terms and Conditions, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from the Maturity Date pursuant to § 3 of these Terms and Conditions until the expiry of the day preceding the day of the actual redemption of the Pfandbriefe at the default rate of interest established by law³.

§ 3

Redemption

Redemption at Final Maturity. Unless previously redeemed or repurchased and cancelled, the Issuer will redeem the Pfandbriefe at par on the Maturity Date as specified in the Final Terms.

§ 4

Early Redemption

(1) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are subject to Early Redemption at the option of the Issuer (Call Option):*

Early Redemption at the option of the Issuer (Call Option). In addition to the right to terminate the Pfandbriefe pursuant to § 2 sub-paragraph (4) (a) (vii), § 2 sub-paragraph (4) (b) (vii) or § 2 sub-paragraph (4) (c) (vi) of these Terms and Conditions, the Issuer shall have the right upon giving notice in accordance with § 10 of these Terms and Conditions to terminate the Pfandbriefe, in whole but not in part, subject to a minimum notice period (as specified in the Final Terms), with effect to the Call Redemption Date(s) (as specified in the Final Terms) at the early redemption amount (the "**Early Redemption Amount**").

The Early Redemption Amount is the Principal Amount plus accrued interest, if any.

(2) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are not subject to Early Redemption at the option of the Issuer and of a Holder:*

Early Redemption. Neither the Issuer nor any Holder shall be entitled to any termination of the Pfandbriefe.

§ 5

Payments / Fiscal Agent / Paying Agent / Calculation Agent

(1) *Payments of Principal and/or Interest/Discharge.* Any amounts payable under these Terms and Conditions shall be paid by the Fiscal Agent and/or Paying Agent as specified in the Final Terms to, or to the order of, the Clearing System for credit to the accounts of the relevant account holders for subsequent transfer to the Holders. The Issuer will be discharged from its payment obligation to the Holders by payment to, or to the order of, the Clearing System.

(2) *The following sub-paragraph applies if the Final Terms specify that interest is payable on a Temporary Global Pfandbrief.*

³ *The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (Bürgerliches Gesetzbuch).*

Payment of interest on Pfandbriefe represented by the Temporary Global Pfandbrief shall be made, subject to sub-paragraph (3), by the Fiscal Agent and/or Paying Agent as specified in the Final Terms to, or to the order of, the Clearing System for credit to the accounts of the relevant account holders, upon due certification as provided in § 1 sub-paragraph (4) (b) of these Terms and Conditions, for subsequent transfer to the Holders.

(3) *Manner of Payment.* Payments of amounts due in respect of the Pfandbriefe shall be made in Euro. Notwithstanding the provisions of § 8 of these Terms and Conditions, payments of amounts due on the Pfandbriefe will be subject in all cases to any fiscal and other laws and regulations applicable thereto in the place of payment.

(4) *Payment Date.* If the Maturity Date in respect of any Pfandbrief is not a Payment Date then the Holder shall not be entitled to payment until the next such day in the relevant place of business and shall not be entitled to further interest or other payment in respect of such delay. For these purposes and as specified in the Final Terms, "**Payment Date**" means a day (other than a Saturday or a Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) settle payments.

(5) *Deposit of Principal and/or Interest.* The Issuer may deposit with the Local Court (*Amtsgericht*) in Stuttgart principal and/or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

(6) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or any Paying Agent and/or the Calculation Agent (as specified in the Final Terms) and to appoint another Fiscal Agent and/or additional or other Paying Agents and/or another Calculation Agent. The Issuer shall at all times maintain a Fiscal Agent and/or a Paying Agent (which may be the Fiscal Agent) and/or a Calculation Agent (which may be the Fiscal Agent). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 10 of these Terms and Conditions.

(7) *Agents of the Issuer.* The Fiscal Agent and/or the Paying Agent and/or the Calculation Agent in such capacity are acting solely as agents of the Issuer and no relationship of agency or trust exists between the Fiscal Agent and/or the Paying Agent and/or the Calculation Agent and the Holders of the Pfandbriefe. The Fiscal Agent and/or the Paying Agent and/or the Calculation Agent in making, omitting or accepting declarations, in acting or failing to act shall only be liable in so far as they have violated the due care of a proper merchant (*Sorgfalt eines ordentlichen Kaufmanns*).

§ 6

Presentation Period

Presentation Period. The presentation period for Pfandbriefe due provided in § 801 sub-paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years. The period for prescription for Pfandbriefe presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 7

Status

Status. The Pfandbriefe constitute unsubordinated obligations of the Issuer ranking *pari passu* among themselves. The Pfandbriefe are covered in accordance with the German Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under Mortgage Pfandbriefe (*Hypothekendarlehen*).

§ 8

Taxation

Taxation. All amounts of principal and/or interest payable in respect of the Pfandbriefe shall be paid without withholding or deduction for or on account of any present or future taxes, duties or governmental charges of whatever nature imposed or levied by way of withholding or deduction at source (*Quellensteuer*) by or in or for the account of the Federal Republic of Germany or by or for the account of any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which case the Issuer shall pay no additional amounts in relation to that withholding or deduction.

§ 9

Issue of further Pfandbriefe / Purchase / Cancellation

- (1) *Issue of further Pfandbriefe.* The Issuer may from time to time, without the consent of the Holders, issue further Pfandbriefe having the same terms and conditions as the Pfandbriefe in all respects (or in all respects except for the issue date and/or issue price) so as to form a single Series with the Pfandbriefe and increase the aggregate principal amount of such Series.
- (2) *Purchase.* The Issuer may at any time purchase Pfandbriefe in any market or otherwise and at any price. Pfandbriefe purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation.
- (3) *Cancellation.* All Pfandbriefe redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 10

Notices

- (1) *Publication in the Federal Republic of Germany.* All notices concerning the Pfandbriefe shall be published in the Federal Gazette (*Bundesanzeiger*). Any notice so given will be deemed to have been validly given on the date of such publication.
- (2) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are admitted to trading on the Regulated Market "Bourse de Luxembourg" of the Luxembourg Stock Exchange and are listed on the Official List of the Luxembourg Stock Exchange and/or on any other or further stock exchange.*
 - (a) *Publication in a Daily Newspaper.* In addition to publication set forth in sub-paragraph (1) and if legally required, all notices concerning the Pfandbriefe shall be published in a leading daily newspaper (as specified in the Final Terms) having general circulation in the state in which the stock exchange has its registered office (as specified in the Final Terms). Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).

- (b) *Publication on the Website.* In addition to publication set forth in sub-paragraph (1), all notices concerning the Pfandbriefe shall be published on the website (as specified in the Final Terms) of the stock exchange as specified in the Final Terms. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).
- (c) *Publication through the Clearing System.* In addition to publication set forth in sub-paragraph (1), and as long as this concerns notices with respect to the Floating Rate of Interest and the rules of the stock exchange as specified in the Final Terms permit such form of notice, the Issuer may replace a notice as per sub-paragraph (a) or sub-paragraph (b) with a notice to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the fourth day after the day on which the said notice was given to the Clearing System.

§ 11

Applicable Law / Place of Jurisdiction / Enforcement

- (1) *Applicable Law.* The Pfandbriefe, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.
- (2) *Place of Jurisdiction.* The District Court (*Landgericht*) in Stuttgart shall be non-exclusive place of jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Pfandbriefe. The jurisdiction of such court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) or persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).
- (3) *Enforcement.* Any Holder of Pfandbriefe may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, enforce in his own name his rights arising under such Pfandbriefe on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Pfandbriefe (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Pfandbriefe credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), (ii) a copy of the Global Pfandbrief certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such Proceedings of the actual records or the Global Pfandbrief representing the Pfandbriefe or (iii) any other means of proof, provided that such means are legally permitted for the assertion of the legal proceedings.

For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Pfandbriefe and includes the Clearing System.

3. Terms and Conditions of Zero Coupon Pfandbriefe

§ 1

Currency / Denomination / Form / Definitions

(1) *Currency, Denomination.* This Series of Mortgage Pfandbriefe (*Hypothekendarpfandbriefe*) (the "**Pfandbriefe**") of Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (the "**Issuer**") is being issued in euro (EUR) in the aggregate principal amount specified in the Final Terms (subject to sub-paragraph (7) if the Final Terms specify that the Global Pfandbrief is a new global note ("**NGN**")), and in the denomination as specified in the Final Terms (the "**Specified Denomination**" or the "**Principal Amount**").

(2) *Form.* The Pfandbriefe are issued in bearer form and represented by one or more global notes (each a "**Global Pfandbrief**").

(3) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are represented by a Permanent Global Pfandbrief.*

Permanent Global Pfandbrief. The Pfandbriefe are represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**"). The Permanent Global Pfandbrief shall be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(4) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are initially represented by a Temporary Global Pfandbrief.*

(a) *Temporary Global Pfandbrief.* The Pfandbriefe are initially represented by a temporary global Pfandbrief (the "**Temporary Global Pfandbrief**"). The Temporary Global Pfandbrief will be exchangeable for Pfandbriefe in the Specified Denomination represented by a permanent global Pfandbrief (the "**Permanent Global Pfandbrief**"). The Temporary Global Pfandbrief and the Permanent Global Pfandbrief shall each be signed *manu propria* by two authorised signatories of the Issuer and the independent trustee appointed by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Pfandbriefe will not be issued. The transfer (*Umschreibung*) of a Pfandbrief to the name of a particular person entitled cannot be demanded during the entire term of the Pfandbriefe.

(b) *Exchange.* The Temporary Global Pfandbrief shall be exchangeable for the Permanent Global Pfandbrief from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Pfandbrief. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Pfandbriefe represented by the Temporary Global Pfandbrief is not a U.S. person (other than certain financial institutions or certain persons holding Pfandbriefe through such financial institutions) as required by U.S. tax law. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Pfandbrief will be treated as a request to exchange such Temporary Global Pfandbrief pursuant to this sub-paragraph (b). Any Pfandbriefe delivered in exchange for the Temporary Global Pfandbrief shall be delivered only outside of the United States (as defined sub-paragraph (c)).

(c) *United States.* For purposes of sub-paragraph (b), "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(5) *Clearing System.* The Global Pfandbrief will be kept in custody by or on behalf of a Clearing System. For these purposes and as specified in the Final Terms, "**Clearing System**" means

- (a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Federal Republic of Germany ("**CBF**"); and/or
- (b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg ("**CBL**"); and/or
- (c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium ("**Euroclear**").

CBL and Euroclear are each an international central securities depository ("**ICSD**" and together the "**ICSDs**").

The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a NGN.

The Pfandbriefe are issued in NGN form and are kept in custody by a common safekeeper on behalf of both ICSDs.

*The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are kept in custody on behalf of the ICSDs and the Global Pfandbrief is a classical global note ("**CGN**").*

The Pfandbriefe are issued in CGN form and are kept in custody by a common depository on behalf of both ICSDs.

- (6) *Holder of Pfandbriefe.* "**Holder**" is any holder of a proportionate co-ownership or other right in the Pfandbriefe.

- (7) *The following sub-paragraphs apply if the Final Terms specify that the Global Pfandbrief and the Temporary Global Pfandbrief, respectively, are a NGN.*

Records of the ICSDs. The aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief shall be the aggregate principal amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Pfandbriefe) shall be conclusive evidence of the aggregate principal amount of Pfandbriefe represented by the Global Pfandbrief and, for these purposes, a statement issued by an ICSD stating the aggregate principal amount of Pfandbriefe so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of an instalment or interest being made in respect of, or purchase and cancellation of, any of the Pfandbriefe represented by the Global Pfandbrief the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Pfandbrief shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Pfandbriefe recorded in the records of the ICSDs and represented by the Global Pfandbrief shall be reduced by the aggregate principal amount of the Pfandbriefe so redeemed or purchased and cancelled or by the aggregate principal amount of such instalment so paid.

On an exchange of a portion only of the Pfandbriefe represented by a Temporary Global Pfandbrief, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.

§ 2

Interest

- (1) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are issued at a discount and are redeemed at par.*

- (a) *Discount Rate.* The Pfandbriefe are issued at a discount to their Principal Amount on the issue date as specified in the Final Terms (the "**Issue Date**"). The rate of discount (the "**Discount Rate**") is the rate of interest per annum as specified in the Final Terms. There will be no periodic payments of interest on the Pfandbriefe.
- (b) *Calculation of Calculative Accrued Interest for Partial Periods.* If calculative accrued interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction as defined in subparagraph (3) below and as specified in the Final Terms.
- (c) *Accrual of Interest.* If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from the Maturity Date pursuant to § 3 subparagraph (1) of these Terms and Conditions until the expiry of the day preceding the day of the actual redemption of the Pfandbriefe at the default rate of interest established by law⁴.
- (2) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe bear accrued interest and are to be redeemed at their final redemption amount.*
- (a) *Amortisation Yield.* The yield to maturity (the "**Amortisation Yield**") of the Pfandbriefe as of the issue date as specified in the Final Terms (the "**Issue Date**") is the rate of interest per annum as specified in the Final Terms. There will be no periodic payments of interest on the Pfandbriefe.
- (b) *Calculation of Calculative Accrued Interest for Partial Periods.* If calculative accrued interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction as defined in subparagraph (3) below and as specified in the Final Terms.
- (c) *Accrual of Interest.* If the Issuer shall fail to redeem the Pfandbriefe when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Pfandbriefe from the Maturity Date pursuant to § 3 subparagraph (2) of these Terms and Conditions until the expiry of the day preceding the day of the actual redemption of the Pfandbriefe at the default rate of interest established by law²⁷.
- (3) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of the calculative accrued interest amount on any Pfandbrief for any period of time (the "**Calculation Period**"):
- (a) if "**Actual/Actual (ICMA Rule 251)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period; or
- (b) if "**Actual/365 (Fixed)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365; or
- (c) if "**Actual/365 (Sterling)**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366; or
- (d) if "**Actual/360**" is specified in the Final Terms, the actual number of days in the Calculation Period divided by 360; or
- (e) if "**30/360, 360/360 or Bond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the

⁴ *The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 German Civil Code (Bürgerliches Gesetzbuch).*

last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month); or

- (f) if "**30E/360 or Eurobond Basis**" is specified in the Final Terms, the number of days in the Calculation Period divided by 360 (such number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month.

§ 3

Redemption

- (1) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are issued at a discount and are redeemed at par.*

Redemption at Final Maturity. Unless previously redeemed or repurchased and cancelled, the Issuer will redeem the Pfandbriefe at par on the maturity date (the "**Maturity Date**") as specified in the Final Terms.

- (2) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe bear accrued interest and are to be redeemed at their final redemption amount.*

Redemption at Final Maturity. Unless previously redeemed or repurchased and cancelled, the Issuer will redeem the Pfandbriefe on the maturity date (the "**Maturity Date**") as specified in the Final Terms at the final redemption amount as specified in the Final Terms.

- (3) *Business Day Convention.* If the Maturity Date or any Call Redemption Date pursuant to § 4 sub-paragraph (1) of these Terms and Conditions would otherwise fall on a day which is not a Business Day in accordance with sub-paragraph (c), then,

- (a) if the Final Terms specify "**Modified Following Business Day Convention**", the Maturity Date or the Call Redemption Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Maturity Date or the Call Redemption Date shall be the immediately preceding Business Day; or
- (b) if the Final Terms specify "**Following Business Day Convention**", the Maturity Date or the Call Redemption Date shall be postponed to the next day which is a Business Day.

No Adjustment of the amount of principal. The Holder shall not be entitled to further amount of principal or other payment in respect of any such postponement.

- (c) *Business Day.* For purposes of sub-paragraphs (a) or (b) and as specified in the Final Terms, "**Business Day**" means a day (other than a Saturday or a Sunday) on which the Clearing System and the Trans-European Automated Real-time Gross Settlement Express Transfer System2 (TARGET2) settle payments.

§ 4

Early Redemption

- (1) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are subject to Early Redemption at the option of the Issuer (Call Option):*

Early Redemption at the option of the Issuer (Call Option). The Issuer shall have the right upon giving notice in accordance with § 10 of these Terms and Conditions to terminate the Pfandbriefe, in whole but not in part, subject to a minimum notice period (as specified in the Final Terms), with effect to the Call Redemption Date(s) (as specified in the Final Terms) at the relevant early redemption amount (the "**Early Redemption Amount**") (as specified in the Final Terms) in accordance with sub-paragraph (2) (a) or (b).

(2) *Early Redemption Amount.* In case of a termination pursuant to sub-paragraph (1) the Early Redemption Amount of the Pfandbriefe shall be determined as follows:

(a) If § 2 sub-paragraph (1) of these Terms and Conditions applies, the Early Redemption Amount is the amount to be determined in accordance with the following formulas:

$$RB_k = \frac{NB}{\left(1 + \frac{D}{100}\right)^Z}$$

where RB_k means the Early Redemption Amount, NB means the Principal Amount (as specified in the Final Terms), D means the numerator of the Discount Rate per annum (as specified in the Final Terms) and Z means the Day Count Fraction (as specified in the Final Terms), whereat the numerator of the Day Count Fraction corresponds to the remaining life to maturity of a Pfandbrief from the early redemption date (including) to the Maturity Date (as specified in the Final Terms) (excluding).

(b) If § 2 sub-paragraph (2) of these Terms and Conditions applies, the Early Redemption Amount is an amount equal to the sum of the Issue Price (as specified in the Final Terms) of a single Pfandbrief and the result of applying the Amortisation Yield (as specified in the Final Terms) to that Issue Price from and including the Issue Date (as specified in the Final Terms) up to but excluding the specified redemption date.

The Early Redemption Amount shall be calculated in case of Pfandbriefe in accordance with § 2 sub-paragraph (1) or sub-paragraph (2) of these Terms and Conditions by the Calculation Agent as specified in the Final Terms. In all other respects, the calculation of the Early Redemption Amount, when made in accordance with the preceding sub-paragraphs (a) or (b), shall be binding on all parties.

(3) *The following sub-paragraph applies if the Final Terms specify that the Pfandbriefe are not subject to Early Redemption at the option of the Issuer and of a Holder:*

Early Redemption. Neither the Issuer nor any Holder shall be entitled to any termination of the Pfandbriefe.

§ 5

Payments / Fiscal Agent / Paying Agent / Calculation Agent

(1) *Payments of Principal/Discharge.* Any amounts payable under these Terms and Conditions shall be paid by the Fiscal Agent and/or Paying Agent as specified in the Final Terms to, or to the order of, the Clearing System for credit to the accounts of the relevant account holders for subsequent transfer to the Holders. The Issuer will be discharged from its payment obligation to the Holders by payment to, or to the order of, the Clearing System.

(2) *Manner of Payment.* Payments of amounts due in respect of the Pfandbriefe shall be made in Euro. Notwithstanding the provisions of § 8 of these Terms and Conditions, payments of amounts due on the Pfandbriefe will be subject in all cases to any fiscal and other laws and regulations applicable thereto in the place of payment.

(3) *Deposit of Principal.* The Issuer may deposit with the Local Court (*Amtsgericht*) in Stuttgart principal not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

(4) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or any Paying Agent and/or the Calculation Agent (as specified in the Final Terms) and to appoint another Fiscal Agent and/or additional or other Paying Agents and/or another Calculation Agent. The Issuer shall at all times maintain a Fiscal Agent and/or a Paying Agent (which may be the Fiscal Agent) and/or a Calculation Agent (which may be the Fiscal Agent). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 10 of these Terms and Conditions.

(5) *Agents of the Issuer.* The Fiscal Agent and/or the Paying Agent and/or the Calculation Agent in such capacity are acting solely as agents of the Issuer and no relationship of agency or trust exists between the Fiscal Agent and/or the Paying Agent and/or the Calculation Agent and the Holders of the Pfandbriefe. The Fiscal Agent and/or the Paying Agent and/or the Calculation Agent in making, omitting or accepting declarations, in acting or failing to act shall only be liable in so far as they have violated the due care of a proper merchant (*Sorgfalt eines ordentlichen Kaufmanns*).

§ 6

Presentation Period

Presentation Period. The presentation period for Pfandbriefe due provided in § 801 sub-paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years. The period for prescription for Pfandbriefe presented for payment during the presentation period shall be two years beginning at the end of the relevant presentation period.

§ 7

Status

Status. The Pfandbriefe constitute unsubordinated obligations of the Issuer ranking *pari passu* among themselves. The Pfandbriefe are covered in accordance with the German Pfandbrief Act (*Pfandbriefgesetz*) and rank *pari passu* with all other obligations of the Issuer under Mortgage Pfandbriefe (*Hypothekendarlehen*).

§ 8

Taxation

Taxation. All amounts of principal payable in respect of the Pfandbriefe shall be paid without withholding or deduction for or on account of any present or future taxes, duties or governmental charges of whatever nature imposed or levied by way of withholding or deduction at source (*Quellensteuer*) by or in or for the account of the Federal Republic of Germany or by or for the account of any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law, in which case the Issuer shall pay no additional amounts in relation to that withholding or deduction.

§ 9

Issue of further Pfandbriefe / Purchase / Cancellation

- (1) *Issue of further Pfandbriefe.* The Issuer may from time to time, without the consent of the Holders, issue further Pfandbriefe having the same terms and conditions as the Pfandbriefe in all respects (or in all respects except for the issue date and/or issue price) so as to form a single Series with the Pfandbriefe and increase the aggregate principal amount of such Series.
- (2) *Purchase.* The Issuer may at any time purchase Pfandbriefe in any market or otherwise and at any price. Pfandbriefe purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation.
- (3) *Cancellation.* All Pfandbriefe redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 10

Notices

- (1) *Publication in the Federal Republic of Germany.* All notices concerning the Pfandbriefe shall be published in the Federal Gazette (*Bundesanzeiger*). Any notice so given will be deemed to have been validly given on the date of such publication.
- (2) *The following sub-paragraphs apply if the Final Terms specify that the Pfandbriefe are admitted to trading on the Regulated Market "Bourse de Luxembourg" of the Luxembourg Stock Exchange and are listed on the Official List of the Luxembourg Stock Exchange and/or on any other or further stock exchange.*
 - (a) *Publication in a Daily Newspaper.* In addition to publication set forth in sub-paragraph (1) and if legally required, all notices concerning the Pfandbriefe shall be published in a leading daily newspaper (as specified in the Final Terms) having general circulation in the state in which the stock exchange has its registered office (as specified in the Final Terms). Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).
 - (b) *Publication on the Website.* In addition to publication set forth in sub-paragraph (1), all notices concerning the Pfandbriefe shall be published on the website (as specified in the Final Terms) of the stock exchange as specified in the Final Terms. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).

§ 11

Applicable Law / Place of Jurisdiction / Enforcement

- (1) *Applicable Law.* The Pfandbriefe, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.
- (2) *Place of Jurisdiction.* The District Court (*Landgericht*) in Stuttgart shall be non-exclusive place of jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Pfandbriefe. The jurisdiction of such court shall be exclusive if Proceedings are brought by merchants (*Kaufleute*), legal persons under public law (*juristische Personen des öffentlichen Rechts*), special funds under public law (*öffentlich-rechtliche Sondervermögen*) or persons not subject to the general jurisdiction of the courts of the Federal Republic of Germany (*Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland*).

(3) *Enforcement.* Any Holder of Pfandbriefe may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, enforce in his own name his rights arising under such Pfandbriefe on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Pfandbriefe (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Pfandbriefe credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), (ii) a copy of the Global Pfandbrief certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such Proceedings of the actual records or the Global Pfandbrief representing the Pfandbriefe or (iii) any other means of proof, provided that such means are legally permitted for the assertion of the legal proceedings.

For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Pfandbriefe and includes the Clearing System.

TERMS AND CONDITIONS OF THE NOTES
GERMAN LANGUAGE TRANSLATION
(DEUTSCHE ÜBERSETZUNG DER ANLEIHEBEDINGUNGEN)

*Die Anleihebedingungen (die "**Anleihebedingungen**") sind nachfolgend aufgeführt und umfassen*

- 1. Serien von festverzinslichen Pfandbriefen,*
- 2. Serien von variabel verzinslichen Pfandbriefen oder*
- 3. Serien von Nullkupon-Pfandbriefen,*

die, jeweils, durch auf den Inhaber lautende Globalpfandbriefe verbrieft sind.

Die Serie von Schuldverschreibungen wird gemäß einem Agency Agreement vom 14. Juni 2019 (das "**Agency Agreement**") zwischen der Bausparkasse Schwäbisch Hall und der DZ BANK AG als Emissionsstelle (die "**Emissionsstelle**", wobei dieser Begriff jeden Nachfolger der Emissionsstelle gemäß dem Agency Agreement einschließt) und den anderen darin genannten Parteien begeben.

Die Bestimmungen der nachfolgenden Anleihebedingungen gelten für die Pfandbriefe so, wie sie durch Angaben im TEIL I der beigefügten Endgültigen Bedingungen konkretisiert werden. Die Angaben im TEIL I der Endgültigen Bedingungen zusammengefasst mit den Bestimmungen der Anleihebedingungen stellen die für jede einzelne Tranche von Pfandbriefen anwendbaren Bedingungen dar (die "**Bedingungen**"). Kopien der Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle und bei den bezeichneten Geschäftsstellen einer jeden Zahlstelle erhältlich; bei nicht an einer Börse notierten Pfandbriefen sind Kopien der entsprechenden Bedingungen allerdings ausschließlich für die Gläubiger solcher Pfandbriefe erhältlich.

ANLEIHEBEDINGUNGEN

1. Anleihebedingungen für festverzinsliche Pfandbriefe

§ 1

Währung / Stückelung / Form / Definitionen

(1) *Währung, Stückelung.* Diese Serie von Hypothekendarlehenpfandbriefen (die "**Pfandbriefe**") der Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (die "**Emittentin**") wird in Euro (EUR) in dem in den Endgültigen Bedingungen angegebenen Gesamtnennbetrag (vorbehaltlich Absatz (7), wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief eine *new global note* ("**NGN**") ist) sowie in der in den Endgültigen Bedingungen angegebenen Stückelung (die "**Festgelegte Stückelung**" oder der "**Nennbetrag**") begeben.

(2) *Form.* Die Pfandbriefe lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft (jede ein "**Globalpfandbrief**").

(3) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe durch einen Dauerglobalpfandbrief verbrieft werden.*

Dauerglobalpfandbrief. Die Pfandbriefe sind durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") ohne Zinsscheine verbrieft. Der Dauerglobalpfandbrief trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(4) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe anfänglich durch einen Vorläufigen Globalpfandbrief verbrieft werden.*

(a) *Vorläufiger Globalpfandbrief.* Die Pfandbriefe sind anfänglich durch einen vorläufigen Globalpfandbrief (der "**Vorläufige Globalpfandbrief**") ohne Zinsscheine verbrieft. Der Vorläufige Globalpfandbrief wird gegen Pfandbriefe in der Festgelegten Stückelung, die durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") ohne Zinsscheine verbrieft sind, ausgetauscht. Der Vorläufige Globalpfandbrief und der Dauerglobalpfandbrief tragen jeweils die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(b) *Austausch.* Der Vorläufige Globalpfandbrief ist frühestens an einem Tag (der "**Austauschtag**") gegen den Dauerglobalpfandbrief austauschbar, der 40 Tage nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs liegt. Ein solcher Austausch darf nur

nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch den Vorläufigen Globalpfandbrief verbrieften Pfandbriefe keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Pfandbriefe über solche Finanzinstitute halten). Zinszahlungen auf durch einen Vorläufigen Globalpfandbrief verbrieft Pfandbriefe erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs eingeht, wird als ein Ersuchen behandelt werden, diesen Vorläufigen Globalpfandbrief gemäß dieses Absatzes (b) auszutauschen. Pfandbriefe, die im Austausch für den Vorläufigen Globalpfandbrief geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in Absatz (c) definiert) zu liefern.

(c) *Vereinigte Staaten.* Für die Zwecke des Absatzes (b) bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(5) *Clearing System.* Der Globalpfandbrief wird von einem oder im Namen eines Clearing Systems verwahrt. Für diese Zwecke und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Clearing System**"

(a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Bundesrepublik Deutschland ("**CBF**"); und/oder

(b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**"); und/oder

(c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brüssel, Königreich Belgien ("**Euroclear**").

CBL und Euroclear sind jeweils ein internationaler Zentralverwahrer von Wertpapieren (*international central securities depository*) ("**ICSD**" und zusammen "**ICSDs**").

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine NGN ist.

Die Pfandbriefe werden in Form einer NGN ausgegeben und von einem *common safekeeper* im Namen beider ICSDs verwahrt.

*Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine classical global note ("**CGN**") ist.*

Die Pfandbriefe werden in Form einer CGN ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

(6) *Gläubiger von Pfandbriefen.* "**Gläubiger**" ist jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Pfandbriefen.

(7) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief bzw. der Vorläufige Globalpfandbrief eine NGN ist.*

Register der ICSDs. Der Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Pfandbriefen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Gesamtnennbetrag der so verbrieften Pfandbriefe ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Rate oder einer Zinszahlung bezüglich der durch den Globalpfandbrief verbrieften Pfandbriefe bzw. bei Kauf und Entwertung der durch den Globalpfandbrief verbrieften Pfandbriefe stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung oder Zahlung bzw. Kauf und Löschung bezüglich des Globalpfandbriefs *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch den Globalpfandbrief verbrieften Pfandbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Pfandbriefe bzw. der Gesamtnennbetrag der so gezahlten Raten abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch einen Vorläufigen Globalpfandbrief verbrieft Pfandbriefe wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

§ 2 Zinsen

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe für ihre gesamte Laufzeit zu einem festen Zinssatz verzinst werden.

(1) *Zinssatz/Zinszahlungstage.* Die Pfandbriefe werden, vorbehaltlich § 4 Absatz (1) dieser Anleihebedingungen (wenn in den Endgültigen Bedingungen die Möglichkeit einer vorzeitigen Rückzahlung durch die Emittentin angegeben ist), bezogen auf die Festgelegte Stückelung ab dem in den Endgültigen Bedingungen angegebenen Verzinsungsbeginn (der "**Verzinsungsbeginn**") (einschließlich) bis zu dem Endfälligkeitstag gemäß § 3 dieser Anleihebedingungen (ausschließlich) zu dem in den Endgültigen Bedingungen angegebenen jährlichen Zinssatz verzinst. Zinsen sind nachträglich an jedem in den Endgültigen Bedingungen angegebenen Datum (der "**Zinszahlungstag**") und am Endfälligkeitstag zahlbar. Falls Bruchteilszinsbeträge auf die Pfandbriefe zu zahlen sind (kurzer/langer erster/letzter Kupon), werden diese Beträge in den Endgültigen Bedingungen angegeben.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe zu festen, über ihre Laufzeit stufenweise steigenden und/oder fallenden Zinssätzen verzinst werden.

(2) *Zinssätze/Zinszahlungstage.* Die Pfandbriefe werden, vorbehaltlich § 4 Absatz (1) dieser Anleihebedingungen (wenn in den Endgültigen Bedingungen die Möglichkeit einer vorzeitigen Rückzahlung durch die Emittentin angegeben ist), bezogen auf die Festgelegte Stückelung ab dem in den Endgültigen Bedingungen angegebenen Verzinsungsbeginn (der "**Verzinsungsbeginn**") (einschließlich) bis zu dem Endfälligkeitstag gemäß § 3 dieser Anleihebedingungen (ausschließlich) zu den in den Endgültigen Bedingungen angegebenen steigenden und/oder fallenden jährlichen Zinssätzen verzinst. Zinsen sind nachträglich an jedem in den Endgültigen Bedingungen angegebenen Datum (der "**Zinszahlungstag**") und am Endfälligkeitstag zahlbar. Falls Bruchteilszinsbeträge auf die Pfandbriefe zu zahlen sind (kurzer/langer erster/letzter Kupon), werden diese Beträge in den Endgültigen Bedingungen angegeben.

(3) *Geschäftstagekonvention.* Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag gemäß Absatz (e) ist, so wird der Zinszahlungstag

(a) wenn in den Endgültigen Bedingungen "**Modifizierte Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen; oder

(b) wenn in den Endgültigen Bedingungen "**FRN-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) jeder nachfolgende Zinszahlungstag ist der jeweils letzte

Geschäftstag des Monats, der entsprechend des in den Endgültigen Bedingungen angegebenen Zeitraums nach dem vorausgegangenen anwendbaren Zinszahlungstag liegt; oder

- (c) wenn in den Endgültigen Bedingungen "**Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben; oder
- (d) wenn in den Endgültigen Bedingungen "**Vorausgegangener Geschäftstag-Konvention**" angegeben ist, auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Zinsen angepasst werden.

Anpassung der Zinsen. Falls der Fälligkeitstag einer Zahlung vorgezogen oder verschoben wird, wird der Zinsbetrag entsprechend angepasst.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Zinsen nicht angepasst werden.

Keine Anpassung der Zinsen. Der Gläubiger ist nicht berechtigt, etwaige weitere Zinsen oder sonstige Zahlungen aufgrund einer solchen Verschiebung zu verlangen.

- (e) *Geschäftstag.* Für Zwecke der Absätze (a), (b), (c) oder (d) und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Geschäftstag**" einen Tag (außer einem Samstag oder einem Sonntag), an dem das Clearing System und das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) Zahlungen abwickeln.

(4) *Auflaufende Zinsen.* Der Zinslauf der Pfandbriefe endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Pfandbriefe bei Endfälligkeit nicht oder nicht vollständig einlöst, erfolgt die Verzinsung des ausstehenden Gesamtnennbetrages der Pfandbriefe von dem Endfälligkeitstag gemäß § 3 dieser Anleihebedingungen bis zum Ablauf des Tages, der dem Tag der tatsächlichen Rückzahlung der Pfandbriefe vorangeht, in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen⁵.

(5) *Berechnung der Zinsen für Teilzeiträume.* Sofern Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des nachstehend in Absatz (6) definierten und in den Endgültigen Bedingungen angegebenen Zinstagequotienten.

(6) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

- (a) wenn in den Endgültigen Bedingungen "**Actual/Actual (ICMA-Regelung 251)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode; oder
- (b) wenn in den Endgültigen Bedingungen "**Actual/365 (Fixed)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365; oder
- (c) wenn in den Endgültigen Bedingungen "**Actual/365 (Sterling)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 oder, wenn der Zinszahlungstag in ein Schaltjahr fällt, 366; oder

⁵ *Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch.*

- (d) wenn in den Endgültigen Bedingungen "**Actual/360**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360; oder
- (e) wenn in den Endgültigen Bedingungen "**30/360, 360/360 oder Bond Basis**" angegeben ist: die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltene Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist); oder
- (f) wenn in den Endgültigen Bedingungen "**30E/360 oder Eurobond Basis**" angegeben ist: die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).

§ 3

Rückzahlung

Rückzahlung bei Endfälligkeit. Soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet, wird die Emittentin die Schuldverschreibungen zu ihrem Nennbetrag an dem in den Endgültigen Bedingungen angegebenen Endfälligkeitstag (der "**Endfälligkeitstag**") zurückzahlen.

§ 4

Vorzeitige Rückzahlung

(1) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin das Recht hat, die Pfandbriefe vorzeitig zu kündigen (Call Option).*

Vorzeitige Rückzahlung nach Wahl der Emittentin (Call Option). Die Emittentin ist berechtigt, die Pfandbriefe insgesamt, jedoch nicht teilweise, unter Einhaltung einer in den Endgültigen Bedingungen angegebenen Mindestkündigungsfrist durch Bekanntmachung gemäß § 10 dieser Anleihebedingungen zu dem/den in den Endgültigen Bedingungen angegebenen Wahlrückzahlungstag(en) (Call) zu kündigen und zum vorzeitigen Rückzahlungsbetrag (der "**Vorzeitige Rückzahlungsbetrag**") zurückzuzahlen.

Der Vorzeitige Rückzahlungsbetrag ist der Nennbetrag zuzüglich etwaiger Stückzinsen.

(2) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin und ein Gläubiger kein Recht haben, die Pfandbriefe vorzeitig zu kündigen.*

Vorzeitige Rückzahlung. Weder die Emittentin noch ein Gläubiger ist zur Kündigung der Pfandbriefe berechtigt.

§ 5

Zahlungen / Emissionsstelle / Zahlstelle

(1) *Zahlungen von Kapital und/oder Zinsen/Erfüllung.* Sämtliche gemäß diesen Anleihebedingungen zahlbaren Beträge sind von der in den Endgültigen Bedingungen angegebenen Emissionsstelle und/oder Zahlstelle an das Clearing System oder dessen Order zwecks Gutschrift auf den Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger zu zahlen. Die Emittentin wird durch Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht gegenüber den Gläubigern befreit.

(2) *Der nachfolgende Absatz findet Anwendung, wenn Zinszahlungen auf einen Vorläufigen Globalpfandbrief erfolgen sollen.*

Die Zahlung von Zinsen auf Pfandbriefe, die durch den Vorläufigen Globalpfandbrief verbrieft sind, erfolgt nach Maßgabe von Absatz (3) von der in den Endgültigen Bedingungen angegebenen Emissionsstelle und/oder Zahlstelle an das Clearing System oder dessen Order zwecks Gutschrift auf den Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz (4) (b) dieser Anleihebedingungen.

(3) *Zahlungsweise.* Zahlungen fälliger Beträge auf die Pfandbriefe erfolgen in Euro. Unbeschadet der Bestimmungen in § 8 dieser Anleihebedingungen unterliegen die Zahlungen fälliger Beträge auf die Pfandbriefe in allen Fällen den hierfür am Zahlungsort geltenden steuerlichen und sonstigen Gesetzen und Vorschriften.

(4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf einen Pfandbrief auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder einem Sonntag), an dem das Clearing System und das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET²) Zahlungen abwickeln.

(5) *Hinterlegung von Kapital und/oder Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Stuttgart Kapital- und/oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Endfälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

(6) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle und/oder Zahlstelle (wie in den Endgültigen Bedingungen angegeben) zu ändern oder zu beenden und eine andere Emissionsstelle und/oder zusätzliche oder andere Zahlstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Emissionsstelle und/oder Zahlstelle (die die Emissionsstelle sein kann) unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 10 dieser Anleihebedingungen vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert werden.

(7) *Beauftragte der Emittentin.* Die Emissionsstelle und/oder Zahlstelle handeln in ihrer Eigenschaft als solche ausschließlich als Beauftragte der Emittentin, und es besteht kein Auftrags- oder Treuhandverhältnis zwischen der Emissionsstelle und/oder Zahlstelle und den Gläubigern der Pfandbriefe. Die Emissionsstelle und/oder Zahlstelle haften dafür, dass sie Erklärungen abgeben, nicht abgeben, entgegennehmen oder Handlungen vornehmen oder unterlassen nur, wenn und soweit sie dabei die Sorgfalt eines ordentlichen Kaufmanns verletzt haben.

§ 6

Vorlegungsfrist

Vorlegungsfrist. Die in § 801 Absatz 1 Satz 1 Bürgerliches Gesetzbuch bestimmte Vorlegungsfrist für fällige Pfandbriefe wird auf zehn Jahre abgekürzt. Die Verjährungsfrist für innerhalb der Vorlegungsfrist vorgelegte Pfandbriefe beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 7

Status

Status. Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Hypothekendarlehen.

§ 8

Steuern

Steuern. Sämtliche auf die Pfandbriefe zahlbaren Kapital- und/oder Zinsbeträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder Gebühren gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland durch Einbehalt oder Abzug an der Quelle (Quellensteuer) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben; in welchem Fall die Emittentin keine zusätzlichen Beträge in Bezug auf einen solchen Einbehalt oder Abzug zahlen wird.

§ 9

Begebung weiterer Pfandbriefe / Ankauf / Entwertung

(1) *Begebung weiterer Pfandbriefe.* Die Emittentin ist jederzeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Valutierungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Pfandbriefen eine einheitliche Serie bilden und den Gesamtnennbetrag der Serie erhöhen.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Pfandbriefe in jedem Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, wieder verkauft oder bei der in den Endgültigen Bedingungen angegebenen Emissionsstelle zwecks Entwertung eingereicht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Pfandbriefe sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 10

Bekanntmachungen

(1) *Bekanntmachungen in der Bundesrepublik Deutschland.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind im Bundesanzeiger zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung als wirksam erfolgt.

(2) Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe zum Handel am Regulierten Markt "Bourse de Luxembourg" der Luxemburger Wertpapierbörse zugelassen sind und im Amtlichen Handel (Official List) der Luxemburger Wertpapierbörse und/oder an einer anderen oder weiteren Wertpapierbörse notiert werden.

- (a) *Bekanntmachungen in einer Tageszeitung.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) und sofern rechtlich erforderlich in einer in den Endgültigen Bedingungen angegebenen führenden Tageszeitung mit allgemeiner Verbreitung in dem in den Endgültigen Bedingungen angegebenen Sitzstaat der Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.
- (b) *Bekanntmachungen auf der Internetseite.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) auf der in den Endgültigen Bedingungen angegebenen Internetseite der in den Endgültigen Bedingungen angegebenen Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt mit dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

§ 11

Anwendbares Recht / Gerichtsstand / Gerichtliche Geltendmachung

(1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie die Rechte und Pflichten der Gläubiger und der Emittentin unterliegen deutschem Recht.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Pfandbriefen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Stuttgart. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen oder Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Pfandbriefen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Pfandbriefen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Pfandbriefe ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Pfandbriefe bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, (ii) er legt eine Kopie des die betreffenden Pfandbriefe verbriefenden Globalpfandbriefs vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder der Lagerstelle des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder des die Pfandbriefe verbriefenden Globalpfandbriefs in einem solchen Verfahren erforderlich wäre, oder (iii) auf jede andere Weise, die für den Rechtsstreit zur Geltendmachung rechtlich zulässig ist.

Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Pfandbriefe unterhält, einschließlich des Clearing Systems.

2. Anleihebedingungen für variabel verzinsliche Pfandbriefe

§ 1

Währung / Stückelung / Form / Definitionen

(1) *Währung, Stückelung.* Diese Serie von Hypothekendarlehenpfandbriefen (die "**Pfandbriefe**") der Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (die "**Emittentin**") wird in Euro (EUR) in dem in den Endgültigen Bedingungen angegebenen Gesamtnennbetrag (vorbehaltlich Absatz (7), wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief eine *new global note* ("**NGN**") ist) sowie in der in den Endgültigen Bedingungen angegebenen Stückelung (die "**Festgelegte Stückelung**" oder der "**Nennbetrag**") begeben.

(2) *Form.* Die Pfandbriefe lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft (jede ein "**Globalpfandbrief**").

(3) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe durch einen Dauerglobalpfandbrief verbrieft werden.*

Dauerglobalpfandbrief. Die Pfandbriefe sind durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") ohne Zinsscheine verbrieft. Der Dauerglobalpfandbrief trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(4) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe anfänglich durch einen Vorläufigen Globalpfandbrief verbrieft werden.*

(a) *Vorläufiger Globalpfandbrief.* Die Pfandbriefe sind anfänglich durch einen vorläufigen Globalpfandbrief (der "**Vorläufige Globalpfandbrief**") ohne Zinsscheine verbrieft. Der Vorläufige Globalpfandbrief wird gegen Pfandbriefe in der Festgelegten Stückelung, die durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") ohne Zinsscheine verbrieft sind, ausgetauscht. Der Vorläufige Globalpfandbrief und der Dauerglobalpfandbrief tragen jeweils die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(b) *Austausch.* Der Vorläufige Globalpfandbrief ist frühestens an einem Tag (der "**Austauschtag**") gegen den Dauerglobalpfandbrief austauschbar, der 40 Tage nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch den Vorläufigen Globalpfandbrief verbrieften Pfandbriefe keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Pfandbriefe über solche Finanzinstitute halten). Zinszahlungen auf durch einen Vorläufigen Globalpfandbrief verbrieften Pfandbriefe erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs eingeht, wird als ein Ersuchen behandelt werden, diesen Vorläufigen Globalpfandbrief gemäß dieses Absatzes (b) auszutauschen. Pfandbriefe, die im Austausch für den Vorläufigen Globalpfandbrief geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in Absatz (c) definiert) zu liefern.

(c) *Vereinigte Staaten*. Für die Zwecke des Absatzes (b) bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(5) *Clearing System*. Der Globalpfandbrief wird von einem oder im Namen eines Clearing Systems verwahrt. Für diese Zwecke und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Clearing System**"

(a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Bundesrepublik Deutschland ("**CBF**"); und/oder

(b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**"); und/oder

(c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brüssel, Königreich Belgien ("**Euroclear**").

CBL und Euroclear sind jeweils ein internationaler Zentralverwahrer von Wertpapieren (*international central securities depository*) ("**ICSD**" und zusammen "**ICSDs**").

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine NGN ist.

Die Pfandbriefe werden in Form einer NGN ausgegeben und von einem *common safekeeper* im Namen beider ICSDs verwahrt.

*Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine classical global note ("**CGN**") ist.*

Die Pfandbriefe werden in Form einer CGN ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

(6) *Gläubiger von Pfandbriefen*. "**Gläubiger**" ist jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Pfandbriefen.

(7) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief bzw. der Vorläufige Globalpfandbrief eine NGN ist.*

Register der ICSDs. Der Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Pfandbriefen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Gesamtnennbetrag der so verbrieften Pfandbriefe ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Rate oder einer Zinszahlung bezüglich der durch den Globalpfandbrief verbrieften Pfandbriefe bzw. bei Kauf und Entwertung der durch den Globalpfandbrief verbrieften Pfandbriefe stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung oder Zahlung bzw. Kauf und Löschung bezüglich des Globalpfandbriefs *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch den Globalpfandbrief verbrieften Pfandbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Pfandbriefe bzw. der Gesamtnennbetrag der so gezahlten Raten abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch einen Vorläufigen Globalpfandbrief verbrieft Pfandbriefe wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

§ 2 Zinsen

(1) *Variabler Zinssatz/Zinszahlungstage.* Die Pfandbriefe werden, vorbehaltlich § 4 Absatz (1) dieser Anleihebedingungen (wenn in den Endgültigen Bedingungen die Möglichkeit einer vorzeitigen Rückzahlung durch die Emittentin angegeben ist), bezogen auf die Festgelegte Stückelung ab dem in den Endgültigen Bedingungen angegebenen Verzinsungsbeginn (der "**Verzinsungsbeginn**") (einschließlich) bis zu dem Endfälligkeitstag gemäß § 3 dieser Anleihebedingungen (ausschließlich) zu dem in den Endgültigen Bedingungen angegebenen Variablen Zinssatz verzinst, der gemäß den nachfolgenden Bestimmungen von der in den Endgültigen Bedingungen angegebenen Berechnungsstelle (die "**Berechnungsstelle**") festgelegt wird. Zinsen sind nachträglich an den in den Endgültigen Bedingungen angegebenen Terminen (die "**Zinszahlungstage**") zahlbar.

(2) *Geschäftstagekonvention.* Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag gemäß Absatz (e) ist, so wird der Zinszahlungstag

- (a) wenn in den Endgültigen Bedingungen "**Modifizierte Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen; oder
- (b) wenn in den Endgültigen Bedingungen "**FRN-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) jeder nachfolgende Zinszahlungstag ist der jeweils letzte Geschäftstag des Monats, der entsprechend des in den Endgültigen Bedingungen angegebenen Zeitraums nach dem vorausgegangenen anwendbaren Zinszahlungstag liegt; oder
- (c) wenn in den Endgültigen Bedingungen "**Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben; oder
- (d) wenn in den Endgültigen Bedingungen "**Vorausgegangener Geschäftstag-Konvention**" angegeben ist, auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Zinsen angepasst werden.

Anpassung der Zinsen. Falls der Fälligkeitstag einer Zahlung vorgezogen oder verschoben wird, wird der Zinsbetrag entsprechend angepasst.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Zinsen nicht angepasst werden.

Keine Anpassung der Zinsen. Der Gläubiger ist nicht berechtigt, etwaige weitere Zinsen oder sonstige Zahlungen aufgrund einer solchen Verschiebung zu verlangen.

- (e) *Geschäftstag.* Für Zwecke der Absätze (a), (b), (c) oder (d) und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Geschäftstag**" einen Tag (außer einem Samstag oder einem Sonntag), an dem das Clearing System und das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET²) Zahlungen abwickeln.

(3) *Zinsperiode.* Der Zeitraum zwischen dem Verzinsungsbeginn (einschließlich) und dem letzten Tag (einschließlich) vor dem ersten Zinszahlungstag sowie von jedem Zinszahlungstag (einschließlich) bis zum letzten Tag (einschließlich) vor dem jeweils darauf

folgenden Zinszahlungstag und letztmalig bis zum letzten Tag (einschließlich) vor dem Endfälligkeitstag wird nachstehend, wie in den Endgültigen Bedingungen angegeben, "**Zinsperiode**" genannt.

(4) *Referenzzinssatz.*

(a) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen **EURIBOR (Euro Interbank Offered Rate)** als Referenzzinssatz angegeben ist:*

- (i) Der auf die Pfandbriefe anwendbare Variable Zinssatz für die jeweilige Zinsperiode entspricht dem gemäß den Absätzen (ii), (iii), (iv) oder (v) bestimmten und in den Endgültigen Bedingungen angegebenen EURIBOR-Satz für Euro-Einlagen für die jeweilige Zinsperiode und, falls anwendbar, multipliziert mit dem in den Endgültigen Bedingungen angegebenen "**Faktor**" und, falls anwendbar, zuzüglich/abzüglich der in den Endgültigen Bedingungen als Prozentsatz per annum angegebenen "**Marge**".

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen ein Mindestzinssatz angegeben ist.

Mindestzinssatz. Wenn der gemäß den nachfolgenden Bestimmungen für eine Zinsperiode ermittelte Variable Zinssatz niedriger ist als der in den Endgültigen Bedingungen angegebene Mindestzinssatz, so ist der Variable Zinssatz für diese Zinsperiode der in den Endgültigen Bedingungen angegebene Mindestzinssatz.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen ein Höchstzinssatz angegeben ist.

Höchstzinssatz. Wenn der gemäß den nachfolgenden Bestimmungen für eine Zinsperiode ermittelte Variable Zinssatz höher ist als der in den Endgültigen Bedingungen angegebene Höchstzinssatz, so ist der Variable Zinssatz für diese Zinsperiode der in den Endgültigen Bedingungen angegebene Höchstzinssatz.

- (ii) An dem in den Endgültigen Bedingungen angegebenen Zinsermittlungstag (der "**Zinsermittlungstag**") bestimmt die Berechnungsstelle für die dem jeweiligen Zinsermittlungstag folgende Zinsperiode den Variablen Zinssatz durch Bezugnahme auf den von den Mitgliedsbanken des EURIBOR-Panel quotierten EURIBOR-Satz für Euro-Einlagen für die betreffende Zinsperiode, der auf der Bildschirmseite Reuters EURIBOR01 (oder auf einer Ersatzseite bei Reuters oder einem anderen festgelegten Informationsanbieter oder Nachfolger) um ca. 11.00 Uhr (Brüsseler Zeit) angezeigt wird und, falls anwendbar, multipliziert mit dem Faktor und, falls anwendbar, zuzüglich/abzüglich der Marge.
- (iii) Sollte die in Absatz (ii) genannte Bildschirmseite nicht zur Verfügung stehen oder sollte zu der in Absatz (ii) festgelegten Zeit kein EURIBOR-Satz angezeigt werden, wird die Berechnungsstelle von vier ausgewählten Großbanken im Interbankenmarkt der Euro-Zone deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Euro-Einlagen für die betreffende Zinsperiode gegenüber führenden Banken im Interbankenmarkt der Euro Zone und über einen Betrag, der für eine einzelne Transaktion im Interbankenmarkt der Euro-Zone an dem betreffenden Zinsermittlungstag repräsentativ ist, um ca. 11.00 Uhr (Brüsseler Zeit) an dem betreffenden Zinsermittlungstag einholen. "**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die den Euro als einheitliche Währung gemäß dem Vertrag zur Gründung der Europäischen Gemeinschaft in seiner jeweils gültigen Fassung eingeführt haben. Falls zwei oder mehr der vier ausgewählten Großbanken im Interbankenmarkt der Euro-Zone der Berechnungsstelle solche Angebotssätze nennen, ist der Variable Zinssatz für die betreffende Zinsperiode das von der Berechnungsstelle errechnete arithmetische Mittel (gegebenenfalls auf- oder abgerundet auf das nächste 1/1.000 %, wobei 0,0005 aufgerundet wird) dieser Angebotssätze und, falls anwendbar, multipliziert mit dem Faktor und, falls anwendbar, zuzüglich/abzüglich der Marge.
- (iv) Falls an dem betreffenden Zinsermittlungstag nur eine oder keine der vier ausgewählten Großbanken im Interbankenmarkt der Euro-Zone der Berechnungsstelle die im vorstehenden Absatz (iii) beschriebenen Angebotssätze nennt, ist der Variable Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel

(gegebenenfalls auf- oder abgerundet auf das nächste 1/1.000 %, wobei 0,0005 aufgerundet wird) der Sätze ermittelt, die von der Berechnungsstelle mit angemessener Sorgfalt ausgewählte Großbanken im Interbankenmarkt der Euro-Zone der Berechnungsstelle auf ihre Anfrage als den jeweiligen Satz nennen, zu dem sie um ca. 11.00 Uhr (Brüsseler Zeit) an dem betreffenden Zinsermittlungstag Darlehen in Euro für die betreffende Zinsperiode gegenüber führenden europäischen Banken und über einen Betrag, der für eine einzelne Transaktion im Interbankenmarkt der Euro-Zone an dem betreffenden Zinsermittlungstag repräsentativ ist, anbieten und, falls anwendbar, multipliziert mit dem Faktor und, falls anwendbar, zuzüglich/abzüglich der Marge.

- (v) Kann an einem Zinsermittlungstag der EURIBOR-Satz nicht gemäß den Bestimmungen der Absätze (ii), (iii) oder (iv) festgestellt werden, wird der Variable Zinssatz für die folgende Zinsperiode von der Berechnungsstelle festgelegt. Der für die Berechnung des Variablen Zinssatzes maßgebende EURIBOR-Satz ist hierbei der zuletzt veröffentlichte EURIBOR-Satz, der auf Reuters Seite EURIBOR01 (oder auf einer Ersatzseite bei Reuters oder einem anderen festgelegten Informationsanbieter oder Nachfolger) in einer Periode von zehn Geschäftstagen unmittelbar vor dem Zinsermittlungstag angezeigt wird und von der Berechnungsstelle für Euro-Einlagen für die betreffende Zinsperiode ermittelt werden kann.
- (vi) Sollte der EURIBOR-Satz für die jeweilige in den Endgültigen Bedingungen festgelegte Zinsperiode entfallen und ein geeigneter Ersatz-Referenzzinssatz zur Verfügung stehen, der entweder als Nachfolger des EURIBOR-Satzes offiziell bekanntgegeben wird oder, falls dies nicht der Fall ist, nach Ansicht der Emittentin dem EURIBOR-Satz in seiner Zusammensetzung möglichst nahekommt, tritt an die Stelle des EURIBOR-Satzes für die Restlaufzeit der Pfandbriefe dieser Ersatz-Referenzzinssatz. Voraussetzung hierfür ist, dass der Ersatz-Referenzzinssatz gemäß Artikel 29 Absatz (1) der Verordnung (EU) 2016/1011 des Europäischen Parlaments und des Rates vom 8. Juni 2016 über Indizes, die bei Finanzinstrumenten und Finanzkontrakten als Referenzwert oder zur Messung der Wertentwicklung eines Investmentfonds verwendet werden (die "**Benchmarks-Verordnung**"), (x) von einem Administrator bereitgestellt wird, der in der Europäischen Union angesiedelt ist und in das Register nach Artikel 36 der Benchmarks-Verordnung eingetragen ist, oder (y) von einem in einem Drittstaat angesiedelten Administrator für die Verwendung in der Europäischen Union bereitgestellt wird und der Ersatz-Referenzzinssatz sowie der Administrator in das Register nach Artikel 36 der Benchmarks-Verordnung eingetragen sind. Eine solche Ersetzung ist gemäß § 10 dieser Anleihebedingungen bekannt zu machen.
- (vii) Sollte der EURIBOR-Satz für die jeweilige in den Endgültigen Bedingungen festgelegte Zinsperiode entfallen und kein geeigneter Ersatz-Referenzzinssatz gemäß Absatz (vi) zur Verfügung stehen, können die Pfandbriefe insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin unter Einhaltung einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Bekanntmachung an die Gläubiger gemäß § 10 dieser Anleihebedingungen vorzeitig gekündigt und zu ihrem entsprechenden Vorzeitigen Rückzahlungsbetrag gemäß § 4 Absatz (1) dieser Anleihebedingungen zurückgezahlt werden.

Geschäftstag im Sinne dieses Absatzes (a) bezeichnet einen Tag, an dem Zahlungen über das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) abgewickelt werden können.

- (b) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen ein **CMS (Constant Maturity Swap) Satz** als Referenzzinssatz angegeben ist:*
 - (i) Der auf die Pfandbriefe anwendbare Variable Zinssatz für die jeweilige Zinsperiode entspricht dem gemäß den Absätzen (ii), (iii) oder (iv) bestimmten und in den Endgültigen Bedingungen angegebenen Jahres-Swapsatz (der mittlere Swapsatz gegen den in den Endgültigen Bedingungen angegebenen EURIBOR) (der "**Swapsatz**") und, falls anwendbar, multipliziert mit dem in den Endgültigen Bedingungen angegebenen "**Faktor**" und, falls anwendbar, zuzüglich/abzüglich der in den Endgültigen Bedingungen als Prozentsatz per annum angegebenen "**Marge**".

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen ein Mindestzinssatz angegeben ist.

Mindestzinssatz. Wenn der gemäß den nachfolgenden Bestimmungen für eine Zinsperiode ermittelte Variable Zinssatz niedriger ist als der in den Endgültigen Bedingungen angegebene Mindestzinssatz, so ist der Variable Zinssatz für diese Zinsperiode der in den Endgültigen Bedingungen angegebene Mindestzinssatz.

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen ein Höchstzinssatz angegeben ist.

Höchstzinssatz. Wenn der gemäß den nachfolgenden Bestimmungen für eine Zinsperiode ermittelte Variable Zinssatz höher ist als der in den Endgültigen Bedingungen angegebene Höchstzinssatz, so ist der Variable Zinssatz für diese Zinsperiode der in den Endgültigen Bedingungen angegebene Höchstzinssatz.

- (ii) An dem in den Endgültigen Bedingungen angegebenen Zinsermittlungstag (der "**Zinsermittlungstag**") bestimmt die Berechnungsstelle für die dem jeweiligen Zinsermittlungstag folgende Zinsperiode den Variablen Zinssatz durch Bezugnahme auf den auf die Bildschirmseite Reuters ICESWAP2 (oder auf einer Ersatzseite bei Reuters oder einem anderen festgelegten Informationsanbieter oder Nachfolger) um ca. 11.00 Uhr (Frankfurter Zeit) quotierten Swapsatz und, falls anwendbar, multipliziert mit dem Faktor und, falls anwendbar, zuzüglich/abzüglich der Marge.
- (iii) Sollte die in Absatz (ii) genannte Bildschirmseite nicht zur Verfügung stehen oder sollte zu der in Absatz (ii) festgelegten Zeit kein Swapsatz angezeigt werden, wird die Berechnungsstelle von fünf führenden Swap-Händlern im Interbankenmarkt der Euro-Zone deren Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für den betreffenden Jahres-Durchschnitts-Swapsatz für die betreffende Zinsperiode gegenüber einem anerkannten Swap-Händler im Interbankenmarkt der Euro-Zone und über einen Betrag, der für eine einzelne Swap-Transaktion im Interbankenmarkt der Euro-Zone an dem betreffenden Zinsermittlungstag repräsentativ ist, um ca. 11.00 Uhr (Frankfurter Zeit) an dem betreffenden Zinsermittlungstag einholen. "**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die den Euro als einheitliche Währung gemäß dem Vertrag zur Gründung der Europäischen Gemeinschaft in seiner jeweils gültigen Fassung eingeführt haben. Falls mindestens drei der fünf angefragten führenden Swap-Händler im Interbankenmarkt der Euro Zone der Berechnungsstelle solche Angebotssätze nennen, ist der Variable Zinssatz für die betreffende Zinsperiode das von der Berechnungsstelle errechnete arithmetische Mittel (gegebenenfalls auf- oder abgerundet auf das nächste 1/100.000 %, wobei 0,000005 aufgerundet wird) dieser Angebotssätze, wobei der höchste Angebotssatz (bzw. bei mehreren gleich hohen Angebotssätzen einer der höchsten Sätze) und der niedrigste Angebotssatz (bzw. bei mehreren gleich niedrigen Angebotssätzen einer der niedrigsten Sätze) unberücksichtigt bleiben, und, falls anwendbar, multipliziert mit dem Faktor und, falls anwendbar, zuzüglich/abzüglich der Marge.
- (iv) Kann an einem Zinsermittlungstag der Swapsatz nicht gemäß den Bestimmungen der Absätze (ii) oder (iii) festgestellt werden, wird der Variable Zinssatz für die folgende Zinsperiode von der Berechnungsstelle festgelegt. Der für die Berechnung des Variablen Zinssatzes maßgebende Swapsatz ist hierbei der zuletzt veröffentlichte Swapsatz, der auf Reuters Seite ICESWAP2 (oder auf einer Ersatzseite bei Reuters oder einem anderen festgelegten Informationsanbieter oder Nachfolger) in einer Periode von zehn Geschäftstagen unmittelbar vor dem Zinsermittlungstag angezeigt wird und von der Berechnungsstelle für die betreffende Zinsperiode ermittelt werden kann.
- (v) Sollte der Swapsatz für die jeweilige Zinsperiode entfallen und ein geeigneter Ersatz-Referenzzinssatz zur Verfügung stehen, der entweder als Nachfolger des Swapsatzes offiziell bekanntgegeben wird oder, falls dies nicht der Fall ist, nach Ansicht der Emittentin dem Swapsatz in seiner Zusammensetzung möglichst nahekommt, tritt an die Stelle des Swapsatzes für die Restlaufzeit der Pfandbriefe dieser Ersatz-Referenzzinssatz. Voraussetzung hierfür ist, dass der Ersatz-Referenzzinssatz gemäß Artikel 29 Absatz (1) der Verordnung (EU) 2016/1011 des Europäischen Parlaments und des Rates vom 8. Juni 2016 über Indizes, die bei Finanzinstrumenten und Finanzkontrakten als Referenzwert oder zur Messung der Wertentwicklung eines Investmentfonds verwendet werden (die "**Benchmarks-Verordnung**"), (x) von einem Administrator bereitgestellt wird,

der in der Europäischen Union angesiedelt ist und in das Register nach Artikel 36 der Benchmarks-Verordnung eingetragen ist, oder (y) von einem in einem Drittstaat angesiedelten Administrator für die Verwendung in der Europäischen Union bereitgestellt wird und der Ersatz-Referenzzinssatz sowie der Administrator in das Register nach Artikel 36 der Benchmarks-Verordnung eingetragen sind. Eine solche Ersetzung ist gemäß § 10 dieser Anleihebedingungen bekannt zu machen.

- (vi) Sollte der Swapsatz für die jeweilige Zinsperiode entfallen und kein geeigneter Ersatz-Referenzzinssatz gemäß Absatz (v) zur Verfügung stehen, können die Pfandbriefe insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin unter Einhaltung einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Bekanntmachung an die Gläubiger gemäß § 10 dieser Anleihebedingungen vorzeitig gekündigt und zu ihrem entsprechenden Vorzeitigen Rückzahlungsbetrag gemäß § 4 Absatz (1) dieser Anleihebedingungen zurückgezahlt werden.

Geschäftstag im Sinne dieses Absatzes (b) bezeichnet einen Tag, an dem Zahlungen über das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) abgewickelt werden können.

(5) *Zinsbetrag*. Die Berechnungsstelle errechnet an jedem Zinsermittlungstag den auf den Gesamtnennbetrag der Pfandbriefe (wie in den Endgültigen Bedingungen angegeben) und/oder auf die Festgelegte Stückelung der Pfandbriefe (wie in den Endgültigen Bedingungen angegeben) entfallenden Zinsbetrag für die entsprechende Zinsperiode durch Multiplikation des auf die entsprechende Zinsperiode anzuwendenden Variablen Zinssatzes mit dem Gesamtnennbetrag der Pfandbriefe und/oder der Festgelegten Stückelung der Pfandbriefe, wobei das Produkt mit dem Zinstagequotienten multipliziert wird. Der so errechnete Zinsbetrag wird auf die kleinste Einheit der jeweiligen Währung gerundet. Eine halbe Einheit dieser Währung wird aufgerundet.

(6) *Zinstagequotient*. "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

- (a) wenn in den Endgültigen Bedingungen "**Actual/Actual (ICMA-Regelung 251)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode; oder
- (b) wenn in den Endgültigen Bedingungen "**Actual/365 (Fixed)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365; oder
- (c) wenn in den Endgültigen Bedingungen "**Actual/365 (Sterling)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 oder, wenn der Zinszahlungstag in ein Schaltjahr fällt, 366; oder
- (d) wenn in den Endgültigen Bedingungen "**Actual/360**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360; oder
- (e) wenn in den Endgültigen Bedingungen "**30/360, 360/360 oder Bond Basis**" angegeben ist: die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltene Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist); oder
- (f) wenn in den Endgültigen Bedingungen "**30E/360 oder Eurobond Basis**" angegeben ist: die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des

Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).

(7) *Bekanntmachung von Variablem Zinssatz, Zinsbetrag und Zinszahlungstag.* Die Berechnungsstelle veranlasst die Bekanntmachung des für die entsprechende Zinsperiode ermittelten Variablen Zinssatzes, des auf den Gesamtnennbetrag der Pfandbriefe und/oder auf den Nennbetrag eines Pfandbriefs zu zahlenden Zinsbetrages und des Zinszahlungstages unverzüglich gemäß § 10 dieser Anleihebedingungen. Im Falle einer Verlängerung oder einer Verkürzung der Zinsperiode können von der Berechnungsstelle der zahlbare Zinsbetrag sowie der Zinszahlungstag nachträglich berichtigt oder andere geeignete Anpassungsregelungen getroffen werden, ohne dass es dafür einer weiteren Bekanntmachung bedarf. Im Übrigen und soweit die Zinsermittlung gemäß den vorangegangenen Absätzen (1) bis (6) erfolgt, sind die Ermittlung der jeweiligen variablen Zinssätze und der jeweils zahlbaren Zinsbeträge für alle Beteiligten bindend. Den Gläubigern stehen gegen die Berechnungsstelle keine Ansprüche wegen der Art der Wahrnehmung oder der Nichtwahrnehmung der sich aus diesem Absatz (7) ergebenden Rechte, Pflichten oder Ermessensbefugnisse zu.

(8) *Auflaufende Zinsen.* Der Zinslauf der Pfandbriefe endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Falls die Emittentin die Pfandbriefe bei Endfälligkeit nicht oder nicht vollständig einlöst, erfolgt die Verzinsung des ausstehenden Gesamtnennbetrages der Pfandbriefe von dem Endfälligkeitstag gemäß § 3 dieser Anleihebedingungen bis zum Ablauf des Tages, der dem Tag der tatsächlichen Rückzahlung der Pfandbriefe vorangeht, in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen⁶.

§ 3

Rückzahlung

Rückzahlung bei Endfälligkeit. Soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet, wird die Emittentin die Schuldverschreibungen zu ihrem Nennbetrag an dem in den Endgültigen Bedingungen angegebenen Endfälligkeitstag (der "**Endfälligkeitstag**") zurückzahlen.

§ 4

Vorzeitige Rückzahlung

(1) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin das Recht hat, die Pfandbriefe vorzeitig zu kündigen (Call Option).*

Vorzeitige Rückzahlung nach Wahl der Emittentin (Call Option). Die Emittentin ist über die Kündigung gemäß § 2 Absatz (4) (a) (vii), § 2 Absatz (4) (b) (vii) oder § 2 Absatz (4) (c) (vi) dieser Anleihebedingungen hinaus berechtigt, die Pfandbriefe insgesamt, jedoch nicht teilweise, unter Einhaltung einer in den Endgültigen Bedingungen angegebenen Mindestkündigungsfrist durch Bekanntmachung gemäß § 10 dieser Anleihebedingungen zu dem/den in den Endgültigen Bedingungen angegebenen Wahlrückzahlungstag(en) (Call) zu kündigen und zum vorzeitigen Rückzahlungsbetrag (der "**Vorzeitige Rückzahlungsbetrag**") zurückzuzahlen.

Der Vorzeitige Rückzahlungsbetrag ist der Nennbetrag zuzüglich etwaiger Stückzinsen.

(2) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin und ein Gläubiger kein Recht haben, die Pfandbriefe vorzeitig zu kündigen.*

Vorzeitige Rückzahlung. Weder die Emittentin noch ein Gläubiger ist zur Kündigung der Pfandbriefe berechtigt.

⁶ *Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch.*

§ 5

Zahlungen / Emissionsstelle / Zahlstelle / Berechnungsstelle

(1) *Zahlungen von Kapital und/oder Zinsen/Erfüllung.* Sämtliche gemäß diesen Anleihebedingungen zahlbaren Beträge sind von der in den Endgültigen Bedingungen angegebenen Emissionsstelle und/oder Zahlstelle an das Clearing System oder dessen Order zwecks Gutschrift auf den Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger zu zahlen. Die Emittentin wird durch Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht gegenüber den Gläubigern befreit.

(2) *Der nachfolgende Absatz findet Anwendung, wenn Zinszahlungen auf einen Vorläufigen Globalpfandbrief erfolgen sollen.*

Die Zahlung von Zinsen auf Pfandbriefe, die durch den Vorläufigen Globalpfandbrief verbrieft sind, erfolgt nach Maßgabe von Absatz (3) von der in den Endgültigen Bedingungen angegebenen Emissionsstelle und/oder Zahlstelle an das Clearing System oder dessen Order zwecks Gutschrift auf den Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz (4) (b) dieser Anleihebedingungen.

(3) *Zahlungsweise.* Zahlungen fälliger Beträge auf die Pfandbriefe erfolgen in Euro. Unbeschadet der Bestimmungen in § 8 dieser Anleihebedingungen unterliegen die Zahlungen fälliger Beträge auf die Pfandbriefe in allen Fällen den hierfür am Zahlungsort geltenden steuerlichen und sonstigen Gesetzen und Vorschriften.

(4) *Zahltag.* Fällt der Endfälligkeitstag in Bezug auf einen Pfandbrief auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder einem Sonntag), an dem das Clearing System und das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) Zahlungen abwickeln.

(5) *Hinterlegung von Kapital und/oder Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Stuttgart Kapital- und/oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Endfälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

(6) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle (wie in den Endgültigen Bedingungen angegeben) zu ändern oder zu beenden und eine andere Emissionsstelle und/oder zusätzliche oder andere Zahlstellen und/oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Emissionsstelle und/oder Zahlstelle (die die Emissionsstelle sein kann) und/oder Berechnungsstelle (die die Emissionsstelle sein kann) unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 10 dieser Anleihebedingungen vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert werden.

(7) *Beauftragte der Emittentin.* Die Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle handeln in ihrer Eigenschaft als solche ausschließlich als Beauftragte der Emittentin, und es besteht kein Auftrags- oder Treuhandverhältnis zwischen der Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle und den Gläubigern der Pfandbriefe. Die Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle haften dafür, dass sie Erklärungen abgeben, nicht abgeben, entgegennehmen oder Handlungen vornehmen oder unterlassen nur, wenn und soweit sie dabei die Sorgfalt eines ordentlichen Kaufmanns verletzt haben.

§ 6

Vorlegungsfrist

Vorlegungsfrist. Die in § 801 Absatz 1 Satz 1 Bürgerliches Gesetzbuch bestimmte Vorlegungsfrist für fällige Pfandbriefe wird auf zehn Jahre abgekürzt. Die Verjährungsfrist für innerhalb der Vorlegungsfrist vorgelegte Pfandbriefe beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 7

Status

Status. Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Hypothekendarlehen.

§ 8

Steuern

Steuern. Sämtliche auf die Pfandbriefe zahlbaren Kapital- und/oder Zinsbeträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder Gebühren gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland durch Einbehalt oder Abzug an der Quelle (Quellensteuer) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben, in welchem Fall die Emittentin keine zusätzlichen Beträge in Bezug auf einen solchen Einbehalt oder Abzug zahlen wird.

§ 9

Begebung weiterer Pfandbriefe / Ankauf / Entwertung

(1) *Begebung weiterer Pfandbriefe.* Die Emittentin ist jederzeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Valutierungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Pfandbriefen eine einheitliche Serie bilden und den Gesamtnennbetrag der Serie erhöhen.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Pfandbriefe in jedem Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, wieder verkauft oder bei der in den Endgültigen Bedingungen angegebenen Emissionsstelle zwecks Entwertung eingereicht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Pfandbriefe sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 10

Bekanntmachungen

(1) *Bekanntmachungen in der Bundesrepublik Deutschland.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind im Bundesanzeiger zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung als wirksam erfolgt.

(2) Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe zum Handel am Regulierten Markt "Bourse de Luxembourg" der Luxemburger Wertpapierbörse zugelassen sind und im Amtlichen Handel (Official List) der Luxemburger Wertpapierbörse und/oder an einer anderen oder weiteren Wertpapierbörse notiert werden.

- (a) *Bekanntmachungen in einer Tageszeitung.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) und sofern rechtlich erforderlich in einer in den Endgültigen Bedingungen angegebenen führenden Tageszeitung mit allgemeiner Verbreitung in dem in den Endgültigen Bedingungen angegebenen Sitzstaat der Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.
- (b) *Bekanntmachungen auf der Internetseite.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) auf der in den Endgültigen Bedingungen angegebenen Internetseite der in den Endgültigen Bedingungen angegebenen Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt mit dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.
- (c) *Bekanntmachungen über das Clearing System.* Soweit dies Bekanntmachungen über den Variablen Zinssatz betrifft und die Regeln der in den Endgültigen Bedingungen angegebenen Wertpapierbörse es zulassen, kann die Emittentin zusätzlich zu einer Veröffentlichung nach Absatz (1) eine Veröffentlichung nach Absatz (a) oder Absatz (b) durch eine Bekanntmachung an das in den Endgültigen Bedingungen angegebene Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Bekanntmachung gilt am vierten Tag nach dem Tag der Bekanntmachung an das Clearing System als wirksam erfolgt.

§ 11

Anwendbares Recht / Gerichtsstand / Gerichtliche Geltendmachung

(1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie die Rechte und Pflichten der Gläubiger und der Emittentin unterliegen deutschem Recht.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Pfandbriefen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Stuttgart. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen oder Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Pfandbriefen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Pfandbriefen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Pfandbriefe ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Pfandbriefe bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, (ii) er legt eine Kopie des die betreffenden Pfandbriefe verbriefenden Globalpfandbriefs vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder der Lagerstelle des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder des die Pfandbriefe verbriefenden Globalpfandbriefs in einem solchen Verfahren erforderlich wäre, oder (iii) auf jede andere Weise, die für den Rechtsstreit zur Geltendmachung rechtlich zulässig ist.

Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Pfandbriefe unterhält, einschließlich des Clearing Systems.

3. Anleihebedingungen für Nullkupon-Pfandbriefe

§ 1

Währung / Stückelung / Form / Definitionen

(1) *Währung. Stückelung.* Diese Serie von Hypothekendarlehenpfandbriefen (die "**Pfandbriefe**") der Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – (die "**Emittentin**") wird in Euro (EUR) in dem in den Endgültigen Bedingungen angegebenen Gesamtnennbetrag (vorbehaltlich Absatz (7), wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief eine *new global note* ("**NGN**") ist) sowie in der in den Endgültigen Bedingungen angegebenen Stückelung (die "**Festgelegte Stückelung**" oder der "**Nennbetrag**") begeben.

(2) *Form.* Die Pfandbriefe lauten auf den Inhaber und sind durch eine oder mehrere Globalurkunden verbrieft (jede ein "**Globalpfandbrief**").

(3) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe durch einen Dauerglobalpfandbrief verbrieft werden.*

Dauerglobalpfandbrief. Die Pfandbriefe sind durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") verbrieft. Der Dauerglobalpfandbrief trägt die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und ist von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(4) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe anfänglich durch einen Vorläufigen Globalpfandbrief verbrieft werden.*

(a) *Vorläufiger Globalpfandbrief.* Die Pfandbriefe sind anfänglich durch einen vorläufigen Globalpfandbrief (der "**Vorläufige Globalpfandbrief**") verbrieft. Der Vorläufige Globalpfandbrief wird gegen Pfandbriefe in der Festgelegten Stückelung, die durch einen Dauerglobalpfandbrief (der "**Dauerglobalpfandbrief**") verbrieft sind, ausgetauscht. Der Vorläufige Globalpfandbrief und der Dauerglobalpfandbrief tragen jeweils die eigenhändigen Unterschriften zweier ordnungsgemäß bevollmächtigter Vertreter der Emittentin und des von der Bundesanstalt für Finanzdienstleistungsaufsicht bestellten Treuhänders und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden werden nicht ausgegeben. Die Umschreibung eines Pfandbriefs auf den Namen eines bestimmten Berechtigten kann während der gesamten Laufzeit der Pfandbriefe nicht verlangt werden.

(b) *Austausch.* Der Vorläufige Globalpfandbrief ist frühestens an einem Tag (der "**Austauschtag**") gegen den Dauerglobalpfandbrief austauschbar, der 40 Tage nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch den Vorläufigen Globalpfandbrief verbrieften Pfandbriefe keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Pfandbriefe über solche Finanzinstitute halten). Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe des Vorläufigen Globalpfandbriefs eingeht, wird als ein Ersuchen behandelt werden, diesen Vorläufigen Globalpfandbrief gemäß dieses Absatzes (b) auszutauschen. Pfandbriefe, die im Austausch für den Vorläufigen Globalpfandbrief geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in Absatz (c) definiert) zu liefern.

(c) *Vereinigte Staaten.* Für die Zwecke des Absatzes (b) bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(5) *Clearing System*. Der Globalpfandbrief wird von einem oder im Namen eines Clearing Systems verwahrt. Für diese Zwecke und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Clearing System**"

(a) Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Bundesrepublik Deutschland ("**CBF**"); und/oder

(b) Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**"); und/oder

(c) Euroclear Bank SA/NV, 1, Boulevard du Roi Albert II, 1210 Brüssel, Königreich Belgien ("**Euroclear**").

CBL und Euroclear sind jeweils ein internationaler Zentralverwahrer von Wertpapieren (*international central securities depository*) ("**ICSD**" und zusammen "**ICSDs**").

Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine NGN ist.

Die Pfandbriefe werden in Form einer NGN ausgegeben und von einem *common safekeeper* im Namen beider ICSDs verwahrt.

*Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe im Namen der ICSDs verwahrt werden und der Globalpfandbrief eine classical global note ("**CGN**") ist.*

Die Pfandbriefe werden in Form einer CGN ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

(6) *Gläubiger von Pfandbriefen*. "**Gläubiger**" ist jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Pfandbriefen.

(7) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass der Globalpfandbrief bzw. der Vorläufige Globalpfandbrief eine NGN ist.*

Register der ICSDs. Der Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Pfandbriefen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch den Globalpfandbrief verbrieften Pfandbriefe, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Gesamtnennbetrag der so verbrieften Pfandbriefe ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Rate bezüglich der durch den Globalpfandbrief verbrieften Pfandbriefe bzw. bei Kauf und Entwertung der durch den Globalpfandbrief verbrieften Pfandbriefe stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung oder Zahlung bzw. Kauf und Löschung bezüglich des Globalpfandbriefs *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch den Globalpfandbrief verbrieften Pfandbriefe der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Pfandbriefe bzw. der Gesamtnennbetrag der so gezahlten Raten abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch einen Vorläufigen Globalpfandbrief verbriefteter Pfandbriefe wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.

§ 2 Zinsen

(1) Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe diskontiert begeben und zum Nennbetrag zurückgezahlt werden.

- (a) *Diskontierungssatz.* Die Pfandbriefe werden an dem in den Endgültigen Bedingungen angegebenen Valutierungstag (der "**Valutierungstag**") mit einem Abschlag von ihrem Nennbetrag begeben. Der Satz für die Diskontierung (der "**Diskontierungssatz**") ist der in den Endgültigen Bedingungen angegebene Zinssatz per annum. Periodische Zinszahlungen werden auf die Pfandbriefe nicht geleistet.
- (b) *Berechnung von rechnerisch aufgelaufenen Zinsen für Teilzeiträume.* Sofern rechnerisch aufgelaufene Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des nachstehend in Absatz (3) definierten und in den Endgültigen Bedingungen angegebenen Zinstagequotienten.
- (c) *Auflaufende Zinsen.* Sollte die Emittentin die Pfandbriefe bei Endfälligkeit nicht einlösen, fallen auf den ausstehenden Gesamtnennbetrag der Pfandbriefe ab dem Endfälligkeitstag gemäß § 3 Absatz (1) dieser Anleihebedingungen bis zum Ablauf des Tages, der dem Tag der tatsächlichen Rückzahlung der Pfandbriefe vorangeht, Zinsen in Höhe des gesetzlichen festgelegten Satzes für Verzugszinsen⁷ an.

(2) Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe aufgezinst begeben und zum Rückzahlungsbetrag zurückgezahlt werden.

- (a) *Aufzinsungssatz.* Der Satz für die Aufzinsung (der "**Aufzinsungssatz**") der Pfandbriefe ab dem in den Endgültigen Bedingungen angegebenen Valutierungstag (der "**Valutierungstag**") ist der in den Endgültigen Bedingungen angegebene Zinssatz per annum. Periodische Zinszahlungen werden auf die Pfandbriefe nicht geleistet.
- (b) *Berechnung von rechnerisch aufgelaufenen Zinsen für Teilzeiträume.* Sofern rechnerisch aufgelaufene Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des nachstehend in Absatz (3) definierten und in den Endgültigen Bedingungen angegebenen Zinstagequotienten.
- (c) *Auflaufende Zinsen.* Sollte die Emittentin die Pfandbriefe bei Endfälligkeit nicht einlösen, fallen auf den ausstehenden Gesamtnennbetrag der Pfandbriefe ab dem Endfälligkeitstag gemäß § 3 Absatz (2) dieser Anleihebedingungen bis zum Ablauf des Tages, der dem Tag der tatsächlichen Rückzahlung der Pfandbriefe vorangeht, Zinsen in Höhe des gesetzlichen festgelegten Satzes für Verzugszinsen³⁵ an.

(3) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des rechnerisch aufgelaufenen Zinsbetrages auf einen Pfandbrief für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

- (a) wenn in den Endgültigen Bedingungen "**Actual/Actual (ICMA-Regelung 251)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode; oder
- (b) wenn in den Endgültigen Bedingungen "**Actual/365 (Fixed)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365; oder

⁷ Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Bürgerliches Gesetzbuch.

- (c) wenn in den Endgültigen Bedingungen "**Actual/365 (Sterling)**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365 oder, wenn der Zinszahlungstag in ein Schaltjahr fällt, 366; oder
- (d) wenn in den Endgültigen Bedingungen "**Actual/360**" angegeben ist: die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360; oder
- (e) wenn in den Endgültigen Bedingungen "**30/360, 360/360 oder Bond Basis**" angegeben ist: die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monats, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen Tag enthaltene Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist); oder
- (f) wenn in den Endgültigen Bedingungen "**30E/360 oder Eurobond Basis**" angegeben ist: die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).

§ 3

Rückzahlung

(1) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe diskontiert begeben und zum Nennbetrag zurückgezahlt werden.*

Rückzahlung bei Endfälligkeit. Soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet, wird die Emittentin die Schuldverschreibungen zu ihrem Nennbetrag an dem in den Endgültigen Bedingungen angegebenen Endfälligkeitstag (der "**Endfälligkeitstag**") zurückzahlen.

(2) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe aufgezinst begeben und zum Rückzahlungsbetrag zurückgezahlt werden.*

Rückzahlung bei Endfälligkeit. Soweit nicht zuvor bereits zurückgezahlt oder angekauft und entwertet, wird die Emittentin die Schuldverschreibungen zu ihrem Rückzahlungsbetrag an dem in den Endgültigen Bedingungen angegebenen Endfälligkeitstag (der "**Endfälligkeitstag**") zurückzahlen.

(3) *Geschäftstagekonvention.* Fällt der Endfälligkeitstag oder ein Wahrrückzahlungstag (Call) gemäß § 4 Absatz (1) dieser Anleihebedingungen auf einen Tag, der kein Geschäftstag gemäß Absatz (c) ist, so wird der Endfälligkeitstag oder der Wahrrückzahlungstag (Call)

(a) wenn in den Endgültigen Bedingungen "**Modifizierte Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Endfälligkeitstag oder der Wahrrückzahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen; oder

(b) wenn in den Endgültigen Bedingungen "**Folgender Geschäftstag-Konvention**" angegeben ist, auf den nächstfolgenden Geschäftstag verschoben.

Keine Anpassung des Kapitalbetrags. Der Gläubiger ist nicht berechtigt, etwaige weitere Kapitalbeträge oder sonstige Zahlungen aufgrund einer solchen Verschiebung zu verlangen.

- (c) *Geschäftstag.* Für Zwecke der Absätze (a) oder (b) und wie in den Endgültigen Bedingungen angegeben, bezeichnet "**Geschäftstag**" einen Tag (außer einem Samstag oder einem Sonntag), an dem das Clearing System und das Trans-European Automated Real-time Gross Settlement Express Transfer System² (TARGET2) Zahlungen abwickeln.

§ 4

Vorzeitige Rückzahlung

(1) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin das Recht hat, die Pfandbriefe vorzeitig zu kündigen (Call Option).*

Vorzeitige Rückzahlung nach Wahl der Emittentin (Call Option). Die Emittentin ist berechtigt, die Pfandbriefe insgesamt, jedoch nicht teilweise, unter Einhaltung einer in den Endgültigen Bedingungen angegebenen Mindestkündigungsfrist durch Bekanntmachung gemäß § 10 dieser Anleihebedingungen zu dem/den in den Endgültigen Bedingungen angegebenen Wahlrückzahlungstag(en) (Call) zu kündigen und zum entsprechenden in den Endgültigen Bedingungen angegebenen vorzeitigen Rückzahlungsbetrag (der "**Vorzeitige Rückzahlungsbetrag**") gemäß Absatz (2) (a) oder (b) zurückzuzahlen.

(2) *Vorzeitiger Rückzahlungsbetrag.* Der Vorzeitige Rückzahlungsbetrag der Pfandbriefe bestimmt sich bei einer Kündigung nach Absatz (1) wie folgt:

- (a) Falls § 2 Absatz (1) dieser Anleihebedingungen Anwendung findet, ist der Vorzeitige Rückzahlungsbetrag der Betrag, der sich nach Maßgabe der nachfolgenden Formeln bestimmt:

$$RB_k = \frac{NB}{\left(1 + \frac{D}{100}\right)^Z}$$

hierbei ist RB_k der Vorzeitige Rückzahlungsbetrag (ausmachender Betrag), NB der Nennbetrag (wie in den Endgültigen Bedingungen angegeben), D der Zähler des Diskontierungssatzes p.a. (wie in den Endgültigen Bedingungen angegeben) und Z der Zinstagequotient (wie in den Endgültigen Bedingungen angegeben), wobei der Zähler des Zinstagequotienten der Restlaufzeit eines Pfandbriefs vom vorzeitigen Rückzahlungstag (einschließlich) bis zum Endfälligkeitstag (wie in den Endgültigen Bedingungen angegeben) (ausschließlich) entspricht.

- (b) Falls § 2 Absatz (2) dieser Anleihebedingungen Anwendung findet, ist der Vorzeitige Rückzahlungsbetrag ein Betrag, der der Summe aus dem Ausgabepreis (wie in den Endgültigen Bedingungen angegeben) eines Pfandbriefs und dem Ergebnis aus der Aufzinsung dieses Ausgabepreises mit dem Aufzinsungssatz (wie in den Endgültigen Bedingungen angegeben) vom Valutierungstag (wie in den Endgültigen Bedingungen angegeben) (einschließlich) bis zum entsprechenden Tag der Rückzahlung entspricht.

Der Vorzeitige Rückzahlungsbetrag wird bei Pfandbriefen gemäß § 2 Absatz (1) oder Absatz (2) dieser Anleihebedingungen durch die in den Endgültigen Bedingungen angegebene Berechnungsstelle berechnet. Im Übrigen und soweit die Ermittlung des Vorzeitigen Rückzahlungsbetrages gemäß den vorgenannten Absätzen (a) oder (b) erfolgt, ist die Ermittlung des Vorzeitigen Rückzahlungsbetrages für alle Beteiligten bindend.

(3) *Der nachfolgende Absatz findet Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Emittentin und ein Gläubiger kein Recht haben, die Pfandbriefe vorzeitig zu kündigen.*

Vorzeitige Rückzahlung. Weder die Emittentin noch ein Gläubiger ist zur Kündigung der Pfandbriefe berechtigt.

§ 5

Zahlungen / Emissionsstelle / Zahlstelle / Berechnungsstelle

(1) *Zahlungen von Kapital/Erfüllung.* Sämtliche gemäß diesen Anleihebedingungen zahlbaren Beträge sind von der in den Endgültigen Bedingungen angegebenen Emissionsstelle und/oder Zahlstelle an das Clearing System oder dessen Order zwecks Gutschrift auf den Konten der jeweiligen Depotbanken zur Weiterleitung an die Gläubiger zu zahlen. Die Emittentin wird durch Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht gegenüber den Gläubigern befreit.

(2) *Zahlungsweise.* Zahlungen fälliger Beträge auf die Pfandbriefe erfolgen in Euro. Unbeschadet der Bestimmungen in § 8 dieser Anleihebedingungen unterliegen die Zahlungen fälliger Beträge auf die Pfandbriefe in allen Fällen den hierfür am Zahlungsort geltenden steuerlichen und sonstigen Gesetzen und Vorschriften.

(3) *Hinterlegung von Kapital.* Die Emittentin ist berechtigt, beim Amtsgericht Stuttgart Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Endfälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

(4) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle (wie in den Endgültigen Bedingungen angegeben) zu ändern oder zu beenden und eine andere Emissionsstelle und/oder zusätzliche oder andere Zahlstellen und/oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt eine Emissionsstelle und/oder Zahlstelle (die die Emissionsstelle sein kann) und/oder Berechnungsstelle (die die Emissionsstelle sein kann) unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 10 dieser Anleihebedingungen vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert werden.

(5) *Beauftragte der Emittentin.* Die Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle handeln in ihrer Eigenschaft als solche ausschließlich als Beauftragte der Emittentin, und es besteht kein Auftrags- oder Treuhandverhältnis zwischen der Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle und den Gläubigern der Pfandbriefe. Die Emissionsstelle und/oder Zahlstelle und/oder Berechnungsstelle haften dafür, dass sie Erklärungen abgeben, nicht abgeben, entgegennehmen oder Handlungen vornehmen oder unterlassen nur, wenn und soweit sie dabei die Sorgfalt eines ordentlichen Kaufmanns verletzt haben.

§ 6

Vorlegungsfrist

Vorlegungsfrist. Die in § 801 Absatz 1 Satz 1 Bürgerliches Gesetzbuch bestimmte Vorlegungsfrist für fällige Pfandbriefe wird auf zehn Jahre abgekürzt. Die Verjährungsfrist für innerhalb der Vorlegungsfrist vorgelegte Pfandbriefe beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.

§ 7

Status

Status. Die Pfandbriefe begründen nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind. Die Pfandbriefe sind nach Maßgabe des Pfandbriefgesetzes gedeckt und stehen im gleichen Rang mit allen anderen Verbindlichkeiten der Emittentin aus Hypothekendarpfandbriefen.

§ 8

Steuern

Steuern. Sämtliche auf die Pfandbriefe zahlbaren Kapitalbeträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder Gebühren gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in der Bundesrepublik Deutschland durch Einbehalt oder Abzug an der Quelle (Quellensteuer) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben, in welchem Fall die Emittentin keine zusätzlichen Beträge in Bezug auf einen solchen Einbehalt oder Abzug zahlen wird.

§ 9

Begebung weiterer Pfandbriefe / Ankauf / Entwertung

(1) *Begebung weiterer Pfandbriefe.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Pfandbriefe mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Valutierungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Pfandbriefen eine einheitliche Serie bilden und den Gesamtnennbetrag der Serie erhöhen.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Pfandbriefe in jedem Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Pfandbriefe können nach Wahl der Emittentin von ihr gehalten, wieder verkauft oder bei der in den Endgültigen Bedingungen angegebenen Emissionsstelle zwecks Entwertung eingereicht werden.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Pfandbriefe sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 10

Bekanntmachungen

(1) *Bekanntmachungen in der Bundesrepublik Deutschland.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind im Bundesanzeiger zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung als wirksam erfolgt.

(2) *Die nachfolgenden Absätze finden Anwendung, wenn in den Endgültigen Bedingungen angegeben ist, dass die Pfandbriefe zum Handel am Regulierten Markt "Bourse de Luxembourg" der Luxemburger Wertpapierbörse zugelassen sind und im Amtlichen Handel (Official List) der Luxemburger Wertpapierbörse und/oder an einer anderen oder weiteren Wertpapierbörse notiert werden.*

(a) *Bekanntmachungen in einer Tageszeitung.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) und sofern rechtlich erforderlich in einer in den Endgültigen Bedingungen angegebenen führenden Tageszeitung mit allgemeiner Verbreitung in dem in den Endgültigen Bedingungen angegebenen Sitzstaat der

Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

- (b) *Bekanntmachungen auf der Internetseite.* Alle die Pfandbriefe betreffenden Bekanntmachungen sind zusätzlich zu einer Veröffentlichung nach Absatz (1) auf der in den Endgültigen Bedingungen angegebenen Internetseite der in den Endgültigen Bedingungen angegebenen Wertpapierbörse zu veröffentlichen. Jede derartige Bekanntmachung gilt mit dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.

§ 11

Anwendbares Recht / Gerichtsstand / Gerichtliche Geltendmachung

(1) *Anwendbares Recht.* Form und Inhalt der Pfandbriefe sowie die Rechte und Pflichten der Gläubiger und der Emittentin unterliegen deutschem Recht.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Pfandbriefen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Stuttgart. Die Zuständigkeit des vorgenannten Gerichts ist ausschließlich, soweit es sich um Rechtsstreitigkeiten handelt, die von Kaufleuten, juristischen Personen des öffentlichen Rechts, öffentlich-rechtlichen Sondervermögen oder Personen ohne allgemeinen Gerichtsstand in der Bundesrepublik Deutschland angestrengt werden.

(3) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Pfandbriefen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Pfandbriefen im eigenen Namen auf der folgenden Grundlage geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Pfandbriefe ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Pfandbriefe bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, (ii) er legt eine Kopie des die betreffenden Pfandbriefe verbriefenden Globalpfandbriefs vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder der Lagerstelle des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder des die Pfandbriefe verbriefenden Globalpfandbriefs in einem solchen Verfahren erforderlich wäre, oder (iii) auf jede andere Weise, die für den Rechtsstreit zur Geltendmachung rechtlich zulässig ist.

Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Pfandbriefe unterhält, einschließlich des Clearing Systems.

⁸ [MiFID II Product Governance

The following information relates to the Final Terms dated [•] in respect of the issue by Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – of [Title of relevant Series of Pfandbriefe] (the "Pfandbriefe") under the Programme (as defined below).

MiFID II Produktüberwachung

Die nachfolgenden Informationen betreffen die Endgültigen Bedingungen vom [•] in Bezug auf die Anleihe der Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – von [Bezeichnung der betreffenden Serie der Pfandbriefe] (die "Pfandbriefe") unter dem Programm (wie unten definiert).

Solely for the purposes of [the manufacturer's] [each manufacturers'] product approval process in accordance with Directive 2014/65/EU, as supplemented by Commission Delegated Directive (EU) 2017/593, ("MiFID II") the target market assessment in respect of the Pfandbriefe has led to the conclusion that

Ausschließlich für die Zwecke des Produktgenehmigungsverfahrens [des] [jedes] Konzepteurs gemäß der Richtlinie 2014/65/EU, ergänzt durch die Delegierte Richtlinie (EU) 2017/593 der Kommission, ("MiFID II") hat die Zielmarktbeurteilung in Bezug auf die Pfandbriefe zu dem Ergebnis geführt, dass

(i) the target market for the Pfandbriefe is as follows:

(i) der Zielmarkt für die Pfandbriefe wie folgt ausgestaltet ist:

- client category: [professional client][:]; [eligible counterparty];
Kundenkategorie: [Professioneller Kunde][:]; [Geeignete Gegenpartei];
- investment objectives: [specific pension provision][:];
[general wealth formation/wealth optimisation][:];
[disproportionate participation in price changes][:];
[hedging];
Anlageziele: [spezifische Altersvorsorge][:];
[allgemeine Vermögensbildung / Vermögensoptimierung][:];
[überproportionale Teilnahme an Kursveränderungen][:];
[Absicherung (Hedging)];
- investment horizon: [short-term (< 3 years)] [medium-term (3-5 years)] [long-term (> 5 years)];
Anlagehorizont: [kurzfristig (< 3 Jahre)] [mittelfristig (3-5 Jahre)] [langfristig (> 5 Jahre)];
- financial loss bearing capacity: [Investor can bear no or only small losses from invested capital.][:];
[Investor can bear losses (up to complete loss of invested capital).][:];
[Investor can also bear losses beyond invested capital.];
Finanzielle Verlusttragfähigkeit: [Der Anleger kann keine bzw. nur geringe Verluste des eingesetzten Kapitals tragen.];
[Der Anleger kann Verluste tragen (bis zum vollständigen Verlust des eingesetzten Kapitals).];
[Der Anleger kann Verluste auch über das eingesetzte Kapital hinaus tragen.];
- knowledge and experience: [basic knowledge and/or experience][:];
[greater knowledge and/or experience][:];
[extensive knowledge and/or experience][:];
[special knowledge and/or experience];
Kenntnisse und Erfahrungen: [Basiskenntnisse und/oder Erfahrungen][:];
[erweiterte Kenntnisse und/oder Erfahrungen][:];
[umfangreiche Kenntnisse und/oder Erfahrungen][:];
[spezielle Kenntnisse und/oder Erfahrungen];
- special requirements: [sustainable investment][•][no special requirements];
Spezielle Anforderungen: [nachhaltige Anlage][•][keine speziellen Anforderungen];
- risk indicator: [1] [2] [3] [4] [5] [6] [7]; and
Risikoindikator: [1] [2] [3] [4] [5] [6] [7]; und
- [•].
[•].
- [specify negative target market, if applicable: [•].
etwaigen negativen Zielmarkt festlegen: [•].]

(ii) the following distribution strategy for the Pfandbriefe is appropriate:

(ii) die folgende Vertriebsstrategie für die Pfandbriefe geeignet ist:

- [execution only][:]; [non-advised services][:]; [investment advice].

⁸ Unless otherwise communicated, include this legend if parties have determined a target market.
Sofern nicht anderweitig mitgeteilt, diese Erklärung einfügen, wenn die Parteien einen Zielmarkt bestimmt haben.

[reines Ausführungsgeschäft][:;] [beratungsfreies Geschäft][:;] [Anlageberatung].

- [•].
[•].

Any person subsequently offering, selling or recommending the Pfandbriefe (a "**Distributor**") should take into consideration the [manufacturer's][manufacturers'] target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Pfandbriefe (by either adopting or refining the [manufacturer's][manufacturers'] target market assessment) and determining appropriate distribution channels.

*Jede Person, die Pfandbriefe später anbietet, verkauft oder empfiehlt (ein "**Vertreiber**"), sollte die Zielmarktbeurteilung [des Konzepteurs][der Konzepture] berücksichtigen, wobei ein der MiFID II unterliegender Vertreiber jedoch dafür verantwortlich ist, eine eigene Zielmarktbeurteilung in Bezug auf die Pfandbriefe vorzunehmen (entweder durch Übernahme oder Ausarbeitung der Zielmarktbeurteilung [des Konzepteurs][der Konzepture]) und geeignete Vertriebskanäle festzulegen.*

The target market assessment will be reviewed periodically by the manufacturer[s] and may change during the term of the Pfandbriefe.

Die Zielmarktbeurteilung wird in regelmäßigen Abständen durch [den Konzepteur][die Konzepture] überprüft und kann sich während der Laufzeit der Pfandbriefe ändern.]

In case of Notes listed on the Official List of the Luxembourg Stock Exchange and traded on the Regulated Market "Bourse de Luxembourg", the Final Terms will be published in electronic form on the website of the Luxembourg Stock Exchange (*www.bourse.lu*). Furthermore, the aforementioned Final Terms will be published in electronic form on the website of Bausparkasse Schwäbisch Hall (*www.schwaebisch-hall.de*). In case of Notes listed on any other stock exchange or traded on any other regulated market, the Final Terms will be published in electronic form on the website of Bausparkasse Schwäbisch Hall (*www.schwaebisch-hall.de*). In addition, copies of the Final Terms may be obtained in printed form, free of charge, upon request at the registered office of Bausparkasse Schwäbisch Hall, Crailsheimer Straße 52, 74523 Schwäbisch Hall, Federal Republic of Germany.

FORM OF FINAL TERMS MUSTER ENDGÜLTIGE BEDINGUNGEN

[Date]
[Datum]

Final Terms Endgültige Bedingungen

[Title of relevant Series of Pfandbriefe]

[(to be consolidated, form a single issue with and increase the aggregate principal amount of the [Title of relevant Series of Pfandbriefe] issued on • to a total aggregate principal amount of •)]⁹

[Bezeichnung der betreffenden Serie der Pfandbriefe]

[(Diese Anleihe wird mit den [Bezeichnung der betreffenden Serie der Pfandbriefe], begeben am •, zusammengeführt werden, eine einheitliche Anleihe mit ihnen bilden und ihren Gesamtnennbetrag auf • erhöhen)]

issued pursuant to the
begeben aufgrund des

EUR 5,000,000,000
Debt Issuance Programme

dated 14 June 2019
datiert 14. Juni 2019

of
der

**Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und
Raiffeisenbanken –**
LEI 529900JZXXU699FCKK89

Issue Price: [100] [•] per cent [free to trade] [plus accrued interest]¹¹
Ausgabepreis: [100] [•] % [freibleibend] [plus Stückzinsen]

Issue Date: [•] 20[•]¹⁰
Valutierungstag: [•] 20[•]

Series No.: [•]
Serien Nr.: [•]

⁹ Include only in case of increase of the initial issue.
Nur bei Aufstockungen der Ursprungsanleihe einfügen.

¹⁰ The Issue Date is the date of settlement and payment of the Pfandbriefe (generally "delivery against payment" basis; "delivery against payment" is a delivery instruction where the delivery of Pfandbriefe and the payment of cash consideration are linked.). In the case of "free-of-payment delivery" the delivery of Pfandbriefe and the payment of cash consideration are not linked and the Issue Date is the delivery date.
Der Valutierungstag ist der Tag, an dem die Pfandbriefe begeben und bezahlt werden (üblicherweise auf der Basis "Lieferung gegen Zahlung"; "Lieferung gegen Zahlung" ist eine Lieferinstruktion, bei der die Lieferung der Pfandbriefe und die Zahlung des Gegenwerts aneinander gekoppelt sind). Bei "Lieferung frei von Zahlung" sind die Lieferung der Pfandbriefe und die Zahlung des Gegenwerts nicht aneinander gekoppelt und der Valutierungstag ist der Tag der Lieferung.

[Tranche No.: [•]]³⁷
[Tranche Nr.: [•]]

INTRODUCTION EINLEITUNG

This document constitutes the Final Terms of an issue of Pfandbriefe under the Debt Issuance Programme (the "**Programme**") of Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – ("**Bausparkasse Schwäbisch Hall**").

*Dieses Dokument stellt die Endgültigen Bedingungen einer Emission von Pfandbriefen unter dem Debt Issuance Programme (das "**Programm**") der Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken – ("**Bausparkasse Schwäbisch Hall**") dar.*

These Final Terms have been prepared for the purpose of Article 5(4) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended, and must be read in conjunction with the Debt Issuance Programme Prospectus dated 14 June 2019, including the documents incorporated by reference, (the "**Prospectus**") [and the supplement[s] dated [•]]. The Prospectus [and the supplement[s] dated [•]] [is] [are] published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Bausparkasse Schwäbisch Hall (www.schwaebisch-hall.de). In addition, copies of the aforementioned documents may be obtained in printed form, free of charge, upon request from Bausparkasse Schwäbisch Hall, Crailsheimer Straße 52, 74523 Schwäbisch Hall, Federal Republic of Germany. Full information on Bausparkasse Schwäbisch Hall and the offer of the Pfandbriefe is only available on the basis of the combination of the Prospectus, any supplement, if any, and these Final Terms.

*Diese Endgültigen Bedingungen wurden für den in Artikel 5(4) der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der jeweils gültigen Fassung, genannten Zweck abgefasst und sind in Verbindung mit dem Debt Issuance Programme Prospekt vom 14. Juni 2019, einschließlich der durch Verweis einbezogenen Dokumente, (der "**Prospekt**") [und [dem Nachtrag] [den Nachträgen] vom [•]] zu lesen. Der Prospekt [und [der Nachtrag] [die Nachträge] vom [•]] [wird] [werden] in elektronischer Form auf der Website der Luxemburger Wertpapierbörse (www.bourse.lu) und auf der Website der Bausparkasse Schwäbisch Hall (www.schwaebisch-hall.de) veröffentlicht. Kopien der vorgenannten Unterlagen in gedruckter Form sind außerdem auf Verlangen kostenlos bei der Bausparkasse Schwäbisch Hall, Crailsheimer Straße 52, 74523 Schwäbisch Hall, Bundesrepublik Deutschland erhältlich. Vollständige Informationen über die Bausparkasse Schwäbisch Hall und das Angebot der Pfandbriefe sind nur verfügbar, wenn der Prospekt, etwaige Nachträge und diese Endgültigen Bedingungen zusammengekommen werden.*

PART I: TERMS AND CONDITIONS TEIL I: ANLEIHEBEDINGUNGEN

This PART I of these Final Terms¹¹ is to be read in conjunction with the [1. Terms and Conditions of Fixed Rate Pfandbriefe] [2. Terms and Conditions of Floating Rate Pfandbriefe] [3. Terms and Conditions of Zero Coupon Pfandbriefe] (the "**Terms and Conditions**") set forth in the Prospectus. Capitalised terms not otherwise defined in this PART I of these Final Terms shall have the same meanings specified in the Terms and Conditions.

*Dieser TEIL I dieser Endgültigen Bedingungen ist in Verbindung mit den [1. Anleihebedingungen für festverzinsliche Pfandbriefe] [2. Anleihebedingungen für variabel verzinsliche Pfandbriefe] [3. Anleihebedingungen für Nullkupon-Pfandbriefe] (die "**Anleihebedingungen**") zu lesen, die im Prospekt enthalten sind. Begriffe, die in diesem TEIL I dieser Endgültigen Bedingungen nicht anders lautend definiert sind, haben die gleiche Bedeutung, wie sie in den Anleihebedingungen festgelegt sind.*

¹¹ All non-applicable information in relation to the Pfandbriefe may be deleted from this PART I of these Final Terms.
Alle nicht anwendbaren Informationen in Bezug auf die Pfandbriefe können aus diesem TEIL I dieser Endgültigen Bedingungen gestrichen werden.

All references in this PART I of these Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

Bezugnahmen in diesem TEIL I dieser Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.

The provisions in this PART I of these Final Terms and the Terms and Conditions, taken together, shall constitute the terms and conditions applicable to the Tranche of Pfandbriefe (the "**Conditions**").

*Die Angaben in diesem TEIL I dieser Endgültigen Bedingungen zusammengefasst mit den Bestimmungen der Anleihebedingungen stellen die für die Tranche von Pfandbriefen anwendbaren Bedingungen dar (die "**Bedingungen**").*

Language of Conditions¹² **Sprache der Bedingungen**

- German only¹³
ausschließlich Deutsch
- English only
ausschließlich Englisch
- German and English (German text controlling and binding)
Deutsch und Englisch (deutscher Text maßgeblich und bindend)
- English and German (English text controlling and binding)
Englisch und Deutsch (englischer Text maßgeblich und bindend)

§ 1 / CURRENCY / DENOMINATION / FORM / DEFINITIONS **§ 1 / WÄHRUNG / STÜCKELUNG / FORM / DEFINITIONEN**

▪ **Sub-paragraph (1)** **Absatz (1)**

Aggregate Principal Amount <i>Gesamtnennbetrag</i>	EUR [•,000,000] <i>EUR [•.000.000]</i>
Specified Denomination/Principal Amount <i>Festgelegte Stückelung/Nennbetrag</i>	EUR [•] [100,000] ¹⁴ <i>EUR [•] [100.000]</i>

▪ **Sub-paragraph (3)** **Absatz (3)**

- Permanent Global Pfandbrief
Dauerglobalpfandbrief

▪ **Sub-paragraph (4)** **Absatz (4)**

- Temporary Global Pfandbrief exchangeable for a Permanent Global Pfandbrief
Vorläufiger Globalpfandbrief austauschbar gegen einen Dauerglobalpfandbrief

¹² To be determined in consultation with the Issuer.
In Abstimmung mit der Emittentin festzulegen.

¹³ Use only in case of Pfandbriefe not intended to be listed on any regulated market within the European Economic Area.
Nur im Fall von Pfandbriefen zu nutzen, die nicht an einem regulierten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden sollen.

¹⁴ The minimum denomination of the Pfandbriefe will be EUR 100,000.
Die Mindeststückelung der Pfandbriefe beträgt EUR 100.000.

▪ **Sub-paragraph (5)**
Absatz (5)

Clearing System
Clearing System

- Clearstream Banking AG
- Clearstream Banking S.A.
- Euroclear Bank SA/NV
- Global Pfandbrief¹⁵
Globalpfandbrief
 - Classical Global Note (CGN)
 - New Global Note (NGN)

§ 2 / INTEREST
§ 2 / ZINSEN

Fixed Rate Pfandbriefe
Festverzinsliche Pfandbriefe

▪ **[Sub-paragraph (1)]**
Absatz (1)

Fixed Rate of Interest throughout the entire term of the Pfandbriefe] and Interest Payment Dates
Fester Zinssatz für die gesamte Laufzeit der Pfandbriefe und Zinszahlungstage

Rate of Interest <i>Zinssatz</i>	[•] per cent per annum <i>[•] % p.a.</i>
Interest Commencement Date <i>Verzinsungsbeginn</i>	[•] 20[•] <i>[•] 20[•]</i>
Interest Payment Date[s] <i>Zinszahlungstag[e]</i>	[•] <i>[•]</i>
First Interest Payment Date <i>Erster Zinszahlungstag</i>	[•] <i>[•]</i>
Initial broken interest amount per Specified Denomination <i>Anfänglicher Bruchteilzinsbetrag für die festgelegte Stückelung</i>	[•] <i>[•]</i>
Interest Payment Date preceding the Maturity Date ¹⁶ <i>Zinszahlungstag, der dem Endfälligkeitstag vorangeht</i>	[•] <i>[•]</i>
Final broken interest amount per Specified Denomination <i>Abschließender Bruchteilzinsbetrag für die festgelegte Stückelung</i>	[•] <i>[•]</i>

¹⁵ Only to be completed in case of Pfandbriefe which are kept in custody on behalf of the ICSDs.
Nur auszufüllen für Pfandbriefe, die im Namen der ICSDs verwahrt werden.

¹⁶ Only to be specified in case of a short/long last coupon.
Nur im Falle eines kurzen/langen letzten Kupons anzugeben.

▪ **[Sub-paragraph (2)**
Absatz (2)

Fixed Rates of Interest that step up and/or step down over the term of the Pfandbriefe and Interest Payment Dates

Feste, über die Laufzeit der Pfandbriefe stufenweise steigende und/oder fallende Zinssätze und Zinszahlungstage

Rates of Interest	[•] per cent per annum from [•] (inclusive) to [•] (exclusive) [•] per cent per annum from [•] (inclusive) to [•] (exclusive) [•]
Zinssätze	[•] % p.a. vom [•] (einschließlich) bis zum [•] (ausschließlich) [•] % p.a. vom [•] (einschließlich) bis zum [•] (ausschließlich) [•]
Interest Commencement Date Verzinsungsbeginn	[•] 20[•] [•] 20[•]
Interest Payment Date[s] Zinszahlungstag[e]	[•] [•]
First Interest Payment Date Erster Zinszahlungstag	[•] [•]
Initial broken interest amount per Specified Denomination Anfänglicher Bruchteilzinsbetrag für die festgelegte Stückelung	[•] [•]
Interest Payment Date preceding the Maturity Date Zinszahlungstag, der dem Endfälligkeitstag vorangeht	[•] [•]
Final broken interest amount per Specified Denomination Abschließender Bruchteilzinsbetrag für die festgelegte Stückelung	[•] [•]

▪ **Sub-paragraph (3)**
Absatz (3)

Business Day Convention
Geschäftstagekonvention

- Modified Following Business Day Convention
Modifizierte Folgender Geschäftstag-Konvention
- FRN Convention
FRN-Konvention [•] [months/other – specify]
[•] [Monate/andere – angeben]
- Following Business Day Convention
Folgender Geschäftstag-Konvention
- Preceding Business Day Convention
Vorausgegangener Geschäftstag-Konvention
- Adjustment of Interest
Anpassung der Zinsen

- No Adjustment of Interest
Keine Anpassung der Zinsen

- **Sub-paragraph (6)**
Absatz (6)

Day Count Fraction
Zinstagequotient

- Actual/Actual (ICMA [Rule] / [Regelung] 251)
- Actual/365 (Fixed)
- Actual/365 (Sterling)
- Actual/360
- 30/360, 360/360 [or] [oder] Bond Basis
- 30E/360 [or] [oder] Eurobond Basis

- [**Floating Rate Pfandbriefe**
Variabel verzinsliche Pfandbriefe

- **Sub-paragraph (1)**
Absatz (1)

Interest Payment Dates
Zinszahlungstage

Interest Commencement Date
Verzinsungsbeginn

[•] 20[•]
[•] 20[•]

Interest Payment Date[s]
Zinszahlungstag[e]

[•]
[•]

- **Sub-paragraph (2)**
Absatz (2)

Business Day Convention
Geschäftstagenkonvention

- Modified Following Business Day Convention
Modifizierte Folgender Geschäftstag-Konvention
- FRN Convention
FRN-Konvention
- Following Business Day Convention
Folgender Geschäftstag-Konvention
- Preceding Business Day Convention
Vorausgegangener Geschäftstag-Konvention
- Adjustment of Interest
Anpassung der Zinsen
- No Adjustment of Interest
Keine Anpassung der Zinsen

[•] [months/other – specify]
[•] [Monate/andere – angeben]

- **Sub-paragraph (3)**
Absatz (3)

- Interest Period

[1] [2] [3] [6] [12] month[s] [•] [[1] [•] year[s]]

Zinsperiode

[1] [2] [3] [6] [12] Monat[e] [•][1] [•] Jahr[e]]

▪ **Sub-paragraph (4)
Absatz (4)**

**Reference Rate of Interest
Referenzzinssatz**

▪ **[Sub-paragraph (4) (a) (i)
Absatz (4) (a) (i)**

- EURIBOR rate[•]
EURIBOR Satz[•] [1] [3] [6] [12]-month-EURIBOR [•]
[1] [3] [6] [12]-Monats-EURIBOR [•]
- Factor
Faktor [•.] [• per cent]
[•,•] [• %]
- Margin
Marge [•] per cent per annum
[•] % p.a.
 - plus
plus
 - minus
minus
- Minimum Rate of Interest
Mindestzinssatz [•] per cent per annum
[•] % p.a.
- Maximum Rate of Interest
Höchstzinssatz [•] per cent per annum
[•] % p.a.

▪ **Sub-paragraph (4) (a) (ii)
Absatz (4) (a) (ii)**

- Interest Determination Date
Zinsermittlungstag [second] [•] TARGET2 Business Day prior to
commencement of the relevant Interest Period
[zweiter] [•] TARGET2 Geschäftstag vor
Beginn der jeweiligen Zinsperiode
- Screen page
Bildschirmseite [Reuters page EURIBOR01] [•]
[Reuters Seite EURIBOR01] [•]

▪ **[Sub-paragraph (4) (b) (i)
Absatz (4) (b) (i)**

- Swap Rate[•]
Swapsatz[•] [10] [•]-Year Swap Rate (the middle swap
rate against the [6] [•]-month-EURIBOR)
[10] [•]-Jahres-Swapsatz (der mittlere Swapsatz
gegen den [6] [•]-Monats-EURIBOR)
- Factor
Faktor [•.] [• per cent]
[•,•] [• %]
- Margin
Marge [•] per cent per annum
[•] % p.a.
 - plus
plus
 - minus
minus

- Minimum Rate of Interest [•] per cent per annum
Mindestzinssatz [•] % p.a.
- Maximum Rate of Interest [•] per cent per annum
Höchstzinssatz [•] % p.a.

- **Sub-paragraph (4) (b) (ii)**
Absatz (4) (b) (ii)

- Interest Determination Date [second] [•] TARGET2 Business Day prior to
commencement of the relevant Interest Period
Zinsermittlungstag [zweiter] [•] TARGET2 Geschäftstag vor
Beginn der jeweiligen Zinsperiode
- Screen page [Reuters page ICESWAP[2][•]] [•]
Bildschirmseite [Reuters Seite ICESWAP[2][•]] [•]

- **Sub-paragraph (5)**
Absatz (5)

Interest Amount
Zinsbetrag

- calculated by applying the Floating Rate of Interest to the aggregate principal amount
berechnet durch Bezugnahme des Variablen Zinssatzes auf den Gesamtnennbetrag
- calculated by applying the Floating Rate of Interest to the Specified Denomination
berechnet durch Bezugnahme des Variablen Zinssatzes auf die Festgelegte Stückelung

- **Sub-paragraph (6)**
Absatz (6)

Day Count Fraction
Zinstagequotient

- Actual/Actual (ICMA [Rule] / [Regelung] 251)
- Actual/365 (Fixed)
- Actual/365 (Sterling)
- Actual/360
- 30/360, 360/360 [or] [oder] Bond Basis
- 30E/360 [or] [oder] Eurobond Basis

- [**Zero Coupon Pfandbriefe**
Nullkupon-Pfandbriefe

- **Sub-paragraph (1)**
Absatz (1)

- Discount Basis [•] 20[•]
Abgezinst [•] 20[•]
- Issue Date [•] 20[•]
Valutierungstag [•] 20[•]

Discount Rate
Diskontierungssatz

[•] per cent per annum
[•] % p.a.

▪ **Sub-paragraph (2)**
Absatz (2)

Accrued Interest Basis
Aufgezinst

Issue Date
Valutierungstag

[•] 20[•]
[•] 20[•]

Amortisation Yield
Aufzinsungssatz

[•] per cent per annum
[•] % p.a.

▪ **Sub-paragraph (3)**
Absatz (3)

Day Count Fraction
Zinstagequotient

Actual/Actual (ICMA [Rule] / [Regelung] 251)

Actual/365 (Fixed)

Actual/365 (Sterling)

Actual/360

30/360, 360/360 [or] [oder] Bond Basis

30E/360 [or] [oder] Eurobond Basis]

§ 3 / REDEMPTION
§ 3 / RÜCKZAHLUNG

▪ **[Sub-paragraph (1)]**
[Absatz (1)]

Maturity Date
Endfälligkeitstag

[•]
[•]

▪ **[Sub-paragraph (2)]¹⁷**
[Absatz (2)]

Maturity Date
Endfälligkeitstag

[•]
[•]

Final Redemption Amount

[•]

Rückzahlungsbetrag

[•]

¹⁷ Only to be completed in case of Zero Coupon Pfandbriefe which bear accrued interest. The Final Redemption Amount will always be at least 100 per cent of the principal amount of the Zero Coupon Pfandbriefe.
Nur auszufüllen für Nullkupon-Pfandbriefe, die aufgezinst begeben werden. Der Rückzahlungsbetrag beträgt immer mindestens 100 % des Nennbetrags der Nullkupon-Pfandbriefe.

- **[Sub-paragraph (3)¹⁸**
Absatz (3)

Business Day Convention
Geschäftstagekonvention

- Modified Following Business Day Convention
Modifizierte Folgender Geschäftstag-Konvention
- Following Business Day Convention
Folgender Geschäftstag-Konvention
- No Adjustment of the amount of principal
Keine Anpassung des Kapitalbetrags]

§ 4 / EARLY REDEMPTION
§ 4 / VORZEITIGE RÜCKZAHLUNG

- **[Sub-paragraph (1)]**
Absatz (1)

- Early Redemption at the Option of the Issuer (Call Option)
Vorzeitige Rückzahlung nach Wahl der Emittentin (Call Option)

Call Redemption Date[s]
Wahlrückzahlungstag[e] (Call)

[•]
[•]

Minimum Notice Period¹⁹
Mindestkündigungsfrist

[•] Business Days
[•] Geschäftstage

Early Redemption Amount²⁰
Vorzeitiger Rückzahlungsbetrag

[•]
[•]

- **[Sub-paragraph (2)]**
Absatz (2)

- No Early Redemption at the Option of the Issuer
and/or a Holder
*Keine Vorzeitige Rückzahlung nach Wahl der Emittentin
und/oder eines Gläubigers*]

§ 5 / PAYMENTS / FISCAL AGENT / PAYING AGENT [/ CALCULATION AGENT]
§ 5 / ZAHLUNGEN / EMISSIONSSTELLE / ZAHLSTELLE [/ BERECHNUNGSSTELLE]

- **Sub-paragraph (1)**
Absatz (1)

Fiscal Agent/specified office
Emissionsstelle/bezeichnete Geschäftsstelle

¹⁸ Only to be completed in case of Zero Coupon Pfandbriefe.
Nur auszufüllen für Nullkupon-Pfandbriefe.

¹⁹ Clearstream Banking S.A. and Euroclear Bank SA/NV require a minimum notice period of 5 business days.
Clearstream Banking S.A. und Euroclear Bank SA/NV verlangen eine Mindestkündigungsfrist von 5 Geschäftstagen.

²⁰ Only to be completed in case of Zero Coupon Pfandbriefe.
Nur auszufüllen für Nullkupon-Pfandbriefe.

- DZ BANK AG Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main

Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

*Platz der Republik
60325 Frankfurt am Main
Bundesrepublik Deutschland*

- Other (specify)
Andere (angeben)

[•]
[•]

Paying Agent[s]/specified office
Zahlstelle[n]/bezeichnete Geschäftsstelle

- DZ PRIVATBANK S.A.

4, rue Thomas Edison
L-1445 Strassen
Grand Duchy of Luxembourg

*4, rue Thomas Edison
L-1445 Strassen
Großherzogtum Luxemburg*

- Other (specify)
Andere (angeben)

[•]
[•]

- **[Sub-paragraph [(4)] [(6)]]²¹**
Absatz [(4)] [(6)]

Calculation Agent/specified office
Berechnungsstelle/bezeichnete Geschäftsstelle

- DZ BANK AG Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main

Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

*Platz der Republik
60325 Frankfurt am Main
Bundesrepublik Deutschland*

- Other (specify)
Andere (angeben)

[•]
[•]

§ 10 / NOTICES
§ 10 / BEKANNTMACHUNGEN

- **Sub-paragraph (2) (a)**
Absatz (2) (a)

- Grand Duchy of Luxembourg [(Luxemburger Wort)] [(Tageblatt (Luxembourg))] [(•)]
Großherzogtum Luxemburg [(Luxemburger Wort)] [(Tageblatt (Luxemburg))] [(•)]

- **Sub-paragraph (2) (b)**
Absatz (2) (b)

- Website [of the Luxembourg Stock Exchange (*www.bourse.lu*)] [(•)]
*Website [der Luxemburger Wertpapierbörse (*www.bourse.lu*)] [(•)]*

²¹ Not to be completed in case of Fixed Rate Pfandbriefe.
Nicht auszufüllen für festverzinsliche Pfandbriefe.

- **Sub-paragraph (2) (c)²²**
Absatz (2) (c)
 - Clearing System
Clearing System

²² Not to be completed in case of Fixed Rate Pfandbriefe and Zero Coupon Pfandbriefe.
Nicht auszufüllen für festverzinsliche Pfandbriefe und Nullkupon-Pfandbriefe.

PART II: ADDITIONAL INFORMATION
TEIL II/ ZUSÄTZLICHE ANGABEN

A. ESSENTIAL INFORMATION
A. GRUNDLEGENDE ANGABEN

Interests of natural and legal persons involved in the issue/offer
Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind

- not applicable
nicht anwendbar
- Certain of the Dealers appointed under the Programme and their affiliates have engaged, and may in future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer in the ordinary course of business. Save as discussed in the previous sentence, so far as the Issuer is aware, no person involved in the issue of the Pfandbriefe has an interest material to the offer.
Einzelne der unter dem Programm ernannten Platzeure und ihre Tochtergesellschaften haben Geschäfte mit der Emittentin im Investment Banking und/oder kommerziellen Bankgeschäft getätigt und können dies auch in Zukunft tun und Dienstleistungen für die Emittentin im Rahmen der gewöhnlichen Geschäftstätigkeit erbringen. Mit Ausnahme der im vorherigen Satz angesprochenen Interessen bestehen bei den an der Emission der Pfandbriefe beteiligten Personen nach Kenntnis der Emittentin keine Interessen, die für das Angebot bedeutsam sind.
- Other interest (specify)
Andere Interessen (angeben)

**B. INFORMATION CONCERNING THE PFANDBRIEFE TO BE ADMITTED TO TRADING
B. ANGABEN ZU DEN ZUM HANDEL ZUZULASSENEN PFANDBRIEFEN**

**Eurosystem eligibility
EZB-Fähigkeit**

- Intended to be held in a manner which would allow Eurosystem eligibility (NGN)
Soll in EZB-fähiger Weise gehalten werden (NGN)
- Intended to be held in a manner which would allow Eurosystem eligibility
Soll in EZB-fähiger Weise gehalten werden
- Not intended to be held in a manner which would allow Eurosystem eligibility
Soll nicht in EZB-fähiger Weise gehalten werden

**Securities Identification Numbers
Wertpapier-Kenn-Nummern**

ISIN Code <i>ISIN Code</i>	[DE000•] [XS0•] [•] [DE000•] [XS0•] [•]
Common Code <i>Common Code</i>	[•] [•]
German Securities Code <i>Deutsche Wertpapier-Kenn-Nummer (WKN)</i>	[•] [•]
Any other securities number <i>Sonstige Wertpapier-Kenn-Nummer</i>	[•] [•]

Yield²³ [not applicable] [[•] per cent per annum]
Rendite [nicht anwendbar] [[•] % p.a.]

**Management Details
Einzelheiten bezüglich der Dealer**

Dealer[s]/Management Group (specify) [insert name and adress]
Platzeur[e]/Bankenkonsortium (angeben) [Name und Adresse einfügen]

**Commissions
Provisionen**

Management/Underwriting Commission [[•] per cent of the Aggregate Principal Amount]
[not applicable]

Management-/Übernahmeprovision [[•] % des Gesamtnennbetrags]
[nicht anwendbar]

Selling Concession [[•] per cent of the Aggregate Principal Amount]
[not applicable]

Verkaufsprovision [[•] % des Gesamtnennbetrags]
[nicht anwendbar]

Other (specify) [•]
Andere (angeben) [•]

Stabilising Manager [None] [insert details]
Kursstabilisierender Manager [Keiner] [Einzelheiten einfügen]

²³ Only applicable for Fixed Rate Pfandbriefe, if the Fixed Rate Pfandbriefe are not redeemed prior to maturity.
Nur für festverzinsliche Pfandbriefe anwendbar, sofern die festverzinslichen Pfandbriefe nicht vor Endfälligkeit zurückgezahlt werden.

C. LISTING, ADMISSION TO TRADING AND DEALING ARRANGEMENTS
C. NOTIERUNGS-AUFNAHME, ZULASSUNG ZUM HANDEL UND HANDELSREGELN

Listing and Admission[s] to Trading

Notierungsaufnahme und Börsenzulassung[en]

- Luxembourg Stock Exchange
Luxemburger Wertpapierbörse
 - Regulated Market "Bourse de Luxembourg"
Regulierter Markt "Bourse de Luxembourg"
 - Official List
Amtlicher Handel
- Other (insert details)
Sonstige (Einzelheiten einfügen)

[•]
[•]

Date of admission²⁴

Termin der Zulassung

[•]
[•]

Estimate of the total expenses related to admission to trading
Angabe der geschätzten Gesamtkosten für die Zulassung zum Handel

EUR [•]
EUR [•]

No Admission to Trading

Keine Börsenzulassung

The Selling Restrictions set out in the Prospectus shall apply.
Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.

- TEFRA C
TEFRA C
- TEFRA D
TEFRA D
- Neither TEFRA C nor TEFRA D
Weder TEFRA C noch TEFRA D

Offer Jurisdiction(s)

Angebots-Jurisdiktion(en)

- Grand Duchy of Luxembourg
Großherzogtum Luxemburg
- Federal Republic of Germany
Bundesrepublik Deutschland
- Other EU Member State, if notified (specify)
Anderer EU Mitgliedstaat, wenn notifiziert (angeben)

Rating of the Pfandbriefe²⁵

[Moody's [Aaa] [•]]
[unrated]

Rating der Pfandbriefe

[Moody's [Aaa] [•]]
[unrated]

[Moody's Deutschland GmbH ("**Moody's**") is established in the European Community and registered since 31 October 2011 under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, (the "**CRA Regulation**"). Moody's included in the

²⁴ To be completed only if known.
Nur auszufüllen, soweit bekannt.

²⁵ Do not complete, if the Pfandbriefe are not rated on an individual basis.
Nicht auszufüllen, wenn kein Einzelrating für die Pfandbriefe vorliegt.

"List of registered and certified CRA's" published by the European Securities and Markets Authority on its website (www.esma.europa.eu) in accordance with the CRA Regulation.

*Moody's Deutschland GmbH ("Moody's") hat seinen Sitz in der Europäischen Gemeinschaft und ist seit dem 31. Oktober 2011 gemäß der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, in der jeweils gültigen Fassung (die „**Ratingagenturen-Verordnung**“) registriert. Moody's ist in der "List of registered and certified CRA's" aufgeführt, die von der European Securities and Markets Authority auf ihrer Internetseite (www.esma.europa.eu) gemäß der Ratingagenturen-Verordnung veröffentlicht wird.]*

**[Third Party Information:
Informationen von Seiten Dritter:**

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Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken –

[Name & title of signatory]
[Name und Titel des Unterzeichnenden]

TAXATION

The following is a general discussion of certain German and Luxembourgish tax consequences of the acquisition and ownership of Notes. This general discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this general discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This general discussion is based on the laws of the Federal Republic of Germany and the Grand Duchy of Luxembourg currently in force and as applied on the date of approval of this Prospectus, which are subject to change, possibly with retroactive effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS APPLICABLE IN THE FEDERAL REPUBLIC OF GERMANY AND THE GRAND DUCHY OF LUXEMBOURG AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS OR OTHERWISE SUBJECT TO TAXATION.

1. Federal Republic of Germany

Income tax

Notes held by tax residents as non-business assets

- Taxation of payments of interest

Payments of interest on the Notes to Holders who are individuals and are tax residents of the Federal Republic of Germany (*i.e.*, persons whose residence or habitual abode is located in the Federal Republic of Germany) are subject to German income tax (*Einkommensteuer*). In each case where German income tax arises, a solidarity surcharge (*Solidarit t zuschlag*) is levied in addition. Furthermore, church tax (*Kirchensteuer*) may be levied, where applicable.

On payments of interest on the Notes to individuals who are tax residents of the Federal Republic of Germany income tax is generally levied as a flat income tax (*Abgeltungsteuer*) at a rate of 25 per cent (plus solidarity surcharge in an amount of 5.5 per cent of such tax, resulting in a total tax charge of 26.375 per cent plus, if applicable, church tax). The total positive investment income of an individual will be decreased by a saver's lump sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for individuals filing jointly), not by a deduction of expenses actually incurred.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank and such entity credits or pays out the investment income (the "**Disbursing Agent**"), the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent. The church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt f r Steuern*).

In general, no withholding tax will be levied if the Holder is an individual (i) whose Notes do not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Notes together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) which also includes the tax identification number and which has been issued by the relevant local tax office.

If no withholding tax has been withheld, the Holder will have to include its income on the Notes in its tax return and the tax on its investment income of generally 25 per cent plus solidarity surcharge and, if

applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

- Taxation of capital gains

Also Capital gains realised by individuals who are tax residents of the Federal Republic of Germany from the disposal or redemption of the Notes (including gains from the assignment or hidden contribution of the Notes) will be subject to the flat income tax on investment income at a rate of 25 per cent (plus solidarity surcharge in an amount of 5.5 per cent of such tax, resulting in a total of 26.375 per cent plus, if applicable, church tax), irrespective of any holding period. This will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed. If coupons or interest claims are disposed of separately (i.e. without the Notes), the gains from the disposal are subject to income tax. The same applies to gains from the redemption of coupons or interest claims realized by the former Holder of the Notes. The separation (e.g. by first-time assignment) of a coupon or interest claim from the Note is treated as a disposal of the Note.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the positive difference between the redemption amount or the proceeds from the disposal (after the deduction of actual expenses directly related thereto) and the issue price or the purchase price of the Notes. Church tax is generally levied by way of withholding unless the Holder has filed a blocking notice with the German Federal Tax Office (*Bundeszentralamt für Steuern*). If Notes kept or administered in the same custodial account have been acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purpose of determining the capital gains. Where the Notes are acquired or sold in a currency other than euro, the acquisition costs and sale proceeds will be converted in euro on the basis of the exchange rate applicable at the time of sale, respectively, the time of acquisition. If the Notes have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has validly been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Notes in its custodial account, withholding tax will be levied on 30 per cent of the proceeds from the disposal or redemption of the Notes.

If no withholding tax has been withheld, the Holder will have to include capital gains from the disposal or redemption of the Notes in its tax return and the tax on its investment income of generally 25 per cent plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. Further, if the withholding tax on a disposal or redemption has been calculated from 30 per cent of the respective proceeds (rather than from the actual gain), a Holder who is an individual tax resident may and, in case the actual gain is higher than 30 per cent of the respective proceeds, must also apply for an assessment on the basis of his or her actual acquisition costs. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

Any capital loss incurred from the disposal or redemption of the Notes can only be offset against positive income from capital investments. The Disbursing Agent will offset the losses with positive income from capital investments entered into through or with the same Disbursing Agent and carry forward any losses that cannot be offset to the following calendar year. If losses cannot be offset in full against positive investment income by the Disbursing Agent, the Holder can, instead, request that the Disbursing Agent issues a certificate stating the losses in order for them to be offset against other positive income from capital investments or carried forward in the assessment procedure. The request must reach the Disbursing Agent by 15 December of the current year and is irrevocable.

Pursuant to administrative guidance, a disposal shall be disregarded and losses shall not be tax-deductible if (i) the transaction costs exceed the proceeds from the disposal, (ii) losses are incurred by a Holder from bad debt (*Forderungsausfall*), or (iii) losses are incurred from a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution. Payments based on an insolvency plan shall be a disposal with a capital gain of EUR 0 if the payments are lower than the nominal value of the receivable and the receivable was acquired at the nominal value. The part of the nominal value not being repaid shall be a mere bad debt and therefore irrelevant for income tax purposes. However, the German Federal Fiscal Court (*Bundesfinanzhof*) recognizes disposals and deems losses to be tax-deductible in cases of a bad debt once it has become certain that the principal amount cannot be recovered (decision dated 24 October 2017, docket number VIII R 13/15) and in cases in which the transaction costs exceed or equal the proceeds from the disposal (decision dated 12 June 2018, docket number VIII R 32/16). So far, the tax authorities have not changed their view as regards a bad debt (*Forderungsausfall*) or a waiver of a receivable (*Forderungsverzicht*). As regards their view that a disposal shall be disregarded if the transaction costs exceed the proceeds from the disposal, however, a draft letter of the German Federal Ministry of Finance (*Bundesministerium der Finanzen*) dated 11 January 2019 indicates that the tax authorities will change their view.

Notes held by tax residents as business assets

Payments of interest on Notes and capital gains from the disposal or redemption of Notes held as business assets by German tax resident individuals or tax resident corporations (*i.e.*, corporations whose legal domicile or place of effective management is located in the Federal Republic of Germany), including via a partnership, as the case may be, are generally subject to German income tax or corporate income tax (*Körperschaftsteuer*) (in each case plus solidarity surcharge and, in case of individuals, if applicable, church tax). The interest and capital gain will also be subject to trade tax (*Gewerbesteuer*) if the Notes form part of the property of a trade or business.

If the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above) flat income tax at a rate of 25 per cent plus a solidarity surcharge of 5.5 per cent of such tax and, if applicable, church tax will also be withheld from interest payments on Notes and generally also from capital gains from the disposal or redemption of Notes held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the personal income or corporate income tax liability and the solidarity surcharge (and, if applicable, church tax) of the Holder or will be refunded in the amount of any excess.

With regard to capital gains from the disposal or redemption of Notes no withholding will generally be required in the case of Notes held by corporations tax resident in the Federal Republic of Germany, provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office. The same applies upon notification by use of the officially prescribed form towards the Disbursing Agent in the case of Notes held by individuals or partnerships as business assets.

Notes held by non-residents

Payments of interest on the Notes and capital gains from the disposal or redemption of Notes are not subject to German taxation in the case of non-residents, *i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in the Federal Republic of Germany, unless the Notes form part of the business property of a permanent establishment maintained in the Federal Republic of Germany, or for which a permanent representative has been appointed in the Federal Republic of Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in the Federal Republic of Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German-situs real estate.

Non-residents of the Federal Republic of Germany are in general also not subject to German flat income tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), flat income tax will

be levied as explained above at "Notes held by tax residents as non-business assets" or "Notes held by tax residents as business assets", respectively.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Note will generally arise under the laws of the Federal Republic of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a tax resident of the Federal Republic of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in the Federal Republic of Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

Particularities of Notes with negative yield

In the case that a Holder who has subscribed for Notes and continues to hold the Notes until maturity suffers a pre-determined negative yield from such an investment resulting from the fact that the Notes have been issued above par with a premium which exceeds the total of all interest payments made throughout the tenor of the Notes (e.g. due to a de minimis coupon), the Issuer believes that the tax consequences of such an investment are as follows, although it can, absent any direct guidance, not be excluded that the German tax authorities might take a different view:

- Notes held by tax residents as non-business assets

As a rule, any interest payments received by a Holder are subject to taxation (see above at section "*Notes held by tax residents as non-business assets – Taxation of interest*") and a redemption loss realised by a Holder is offsetable against other investment income (see above at section "*Notes held by tax residents as non-business assets – Taxation of capital gains*"). However, based on statements of the German tax authorities regarding the income tax treatment of "negative interest" incurred on bank deposits made by private investors, it cannot be ruled out that the tax authorities qualify such redemption loss as non-deductible expenses which are covered by the lump-sum deduction (*Sparer-Pauschbetrag*) mentioned above (see section "*Notes held by tax residents as non-business assets – Taxation of interest*"). This might even be the case where the interest payments received on such Notes have been subject to taxation.

- Notes held by tax residents as business assets

If the Notes are held by tax resident business investors, the Issuer believes that, based on the recently published statements regarding the tax deductibility of "negative interest" incurred on bank deposits made by business investors, the redemption loss is generally tax-deductible. In relation to the taxation of interest payments made on the Notes please see above at section "*Notes held by tax residents as business assets*".

2. Grand Duchy of Luxembourg

Non-Residents

Under the existing laws of the Grand Duchy of Luxembourg there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes made to non-residents of the Grand Duchy of Luxembourg through a paying agent established in the Grand Duchy of Luxembourg. However, the rules and requirements on the exchange of information provided for by the Luxembourg law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation apply.

Residents

According to the law of 23 December 2005, as amended, interest on Notes paid by a Luxembourg paying agent or paying agents established in the European Union or in the European Economic Area to an individual Holder of Notes who is a resident of the Grand Duchy of Luxembourg will be subject to a withholding tax of 20 per cent. In case of payment through a paying agent established in the European Union or in the European Economic Area, the Luxembourg resident individual Holder of Notes must under a specific procedure remit 20 per cent tax to the Luxembourg Treasury.

If the individual Holder holds the Notes in the course of the management of his or her private wealth, the aforementioned 20 per cent withholding tax will operate a full discharge of income tax due on such payments.

Interest on Notes paid by a Luxembourg paying agent to a Holder of Notes who is not an individual is not subject to withholding tax.

When used in the preceding paragraphs "*interest*" and "*paying agent*" have the meaning given thereto in the Luxembourg law of 23 December 2005, as amended. "*Interest*" will include accrued or capitalised interest at the sale, repayment or redemption of the Notes.

Payments of interest or similar income under the Notes to Clearstream Banking AG, Clearstream Banking S.A. and Euroclear Bank SA/NV and payments by or on behalf of Clearstream Banking S.A. to financial intermediaries will not give rise to a withholding tax under Luxembourg law.

3. Potential U.S. Withholding Tax under FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting or related requirements. A number of jurisdictions (including the Federal Republic of Germany) have entered into, or have agreed in substance to, intergovernmental agreements with the United States of America to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply before the date that is two years after the date of publication of final regulations with the U.S. Federal Register defining the term "foreign passthru payments." Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

SELLING RESTRICTIONS

1. General

Each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it will comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus, any Final Terms or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

2. United States of America

Each Dealer has acknowledged, and each further Dealer appointed under this Programme will be required to acknowledge, that the Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**") and, except as provided in the applicable Final Terms with respect to Notes with a maturity on the Issue Date of one year or less, may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

Accordingly, each Dealer has further represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

From and after the time that the Issuer notifies the Dealers in writing that it is no longer able to make the representation set forth in Article 4 (1) (m) (i) of the Dealer Agreement, each Dealer (i) has acknowledged, and each further Dealer appointed under this Programme will be required to acknowledge, that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act; (ii) has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it has not offered or sold any Notes, and will not offer or sell any Notes, (x) as part of its distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and Issue Date, only in accordance with Rule 903 of Regulation S under the Securities Act; and accordingly, (iii) has further represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply, and each further Dealer appointed under this Programme will be required to comply, with the offering restrictions requirements of Regulation S; and (iv) has also agreed, and each further Dealer appointed under this Programme will be required to agree, that, at or prior to confirmation of any sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**"), and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903 (b) (2) (iii) under the Securities Act (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, except in either case in accordance with Regulation S

under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Each Dealer who has purchased Notes of a Tranche under this Programme (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Fiscal Agent the completion of the distribution of the Notes of such Tranche.

Each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the Issuer.

Notes, other than Notes with an initial maturity of one year or less, will be issued in accordance with the provisions of United States Treasury Regulation Section 1.163-5 (c) (2) (i) (C) (the "**C Rules**"), or in accordance with the provisions of United States Treasury Regulation Section 1.163-5 (c) (2) (i) (D) (the "**D Rules**") (or any successor rules in substantially the same form as the C Rules or D Rules, as applicable, for purposes of Section 4701 of the U.S. Internal Revenue Code), as specified in the applicable Final Terms.

Where the C Rules are specified in the relevant Final Terms as being applicable to any Tranche of Notes, Notes must be issued and delivered outside the United States of America and its possessions in connection with their original issuance. Each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes within the United States of America or its possessions in connection with the original issuance. Further, each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, in connection with the original issuance of Notes, that it has not communicated, and will not communicate directly or indirectly, with a prospective purchaser if either such Dealer or purchaser is within the United States of America or its possessions and will not otherwise involve its U.S. office in the offer or sale of Notes. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the C Rules.

In respect of Notes issued in accordance with the D Rules, each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that:

- (a) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes to a person who is within the United States of America or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States of America or its possessions Notes that are sold during the restricted period;
- (b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States of America or its possessions or to a U.S. person, except as permitted by the D Rules;
- (c) if such Dealer is a U.S. person, it has represented that it is acquiring the Notes for purposes of resale in connection with their original issuance and if such Dealer retains Notes for its own account, it will do so only in accordance with the requirements of the D Rules; and
- (d) with respect to each affiliate that acquires from such Dealer Notes for the purposes of offering or selling such Notes during the restricted period, such Dealer either (i) has repeated and confirmed the agreements contained in subparagraphs (a), (b) and (c) on such affiliate's behalf or (ii) has agreed that it will obtain from such affiliate for the benefit of the Issuer the agreements contained in subparagraphs (a), (b) and (c).

Terms used in the above paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the D Rules.

3. European Economic Area

The Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of a placement contemplated in the Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2014/51/EU), and includes any relevant implementing measure in the Relevant Member State.

4. United Kingdom of Great Britain and Northern Ireland ("**United Kingdom**")

Each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

5. Japan

The Notes have not been and will not be registered under the Financial Instrument and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under this Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any applicable laws, regulations and ministerial guidelines of Japan.

PFANDBRIEFE AND THE MORTGAGE BANKING SECTOR

*The following is a general description reduced to some of the more fundamental principles governing the law regarding Pfandbriefe and Pfandbrief Banks without addressing all the laws' complexities and details. Accordingly, it is qualified in its entirety by reference to the applicable laws. In the general description, banks authorised to issue Pfandbriefe will generally be referred to as "**Pfandbrief Banks**" which is the term applied by the Pfandbrief Act.*

1. Introduction

Bausparkasse Schwäbisch Hall is a Pfandbrief Bank and the Pfandbrief operations of it will be subject to the German Pfandbrief Act of 22 May 2005 (*Pfandbriefgesetz*), as amended, which has come into force on 19 July 2005.

The Pfandbrief Act abolished the concept of specialist Pfandbrief institutions hitherto prevailing in respect of the existing mortgage banks and ship mortgage banks. It established a new and uniform regulatory regime for all German credit institutions. Since 19 July 2005, all German credit institutions are permitted, subject to a licence and further requirements of the Pfandbrief Act, to engage in the Pfandbrief business and to issue Mortgage Pfandbriefe (*Hypothekendarpfandbriefe*), Public Pfandbriefe (*Öffentliche Pfandbriefe*), Ship Pfandbriefe (*Schiffspfandbriefe*) as well as Aircraft Pfandbriefe (*Flugzeugpfandbriefe*).

German credit institutions wishing to take up the Pfandbrief business must obtain a special licence under the Banking Act (*Gesetz über das Kreditwesen*) from the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") and, for that purpose, must meet some additional requirements as specified in the Pfandbrief Act.

The operations of all banks engaged in the issuance of Pfandbriefe are since 19 July 2005 regulated by the Pfandbrief Act and the Banking Act, and are subject to the prudential supervision of the BaFin. In particular, the BaFin will carry out audits of the assets forming part of each Cover Pool (as defined below), regularly in bi-annual intervals.

Against the background of a withdrawal of the United Kingdom of Great Britain and Northern Ireland ("**United Kingdom**" or "**UK**") from the European Union, grandfathering provisions have been included in the Pfandbrief Act. The new provisions create comprehensive grandfathering for claims secured by UK assets prior to the date on which the United Kingdom ceases to be a Member State of the European Union and should not be treated as such. These claims may continue to be used as cover until they reach maturity and will not be counted towards the upper limit of 10 per cent that is applicable to third countries (as described below). Due to a further amendment of the Pfandbrief Act, the United Kingdom has been included in the list of third countries. The purpose of this legislative amendment to the Pfandbrief Act is to ensure, in the future, that assets of or located in the United Kingdom will continue to qualify as eligible assets for the cover pools for Mortgage Pfandbriefe and Public Pfandbriefe in accordance with the Pfandbrief Act.

2. Rules applicable to all Types of Pfandbriefe

Pfandbriefe are standardised debt instruments issued by a Pfandbrief Bank. The quality and standards of Pfandbriefe are strictly governed by provisions of the Pfandbrief Act and subject to the prudential supervision of the BaFin. Pfandbriefe generally are medium- to long-term notes, typically with an original maturity of two to ten years, which are secured or "covered" at all times by a pool of specified qualifying assets (*Deckung*), as described below. Pfandbriefe are recourse obligations of the issuing bank, and no separate vehicle is created for their issuance generally or for the issuance of any specific series of Pfandbriefe. Pfandbriefe may not be redeemed at the option of the holders prior to maturity.

Pfandbriefe may either be Mortgage Pfandbriefe, Public Pfandbriefe, Ship Pfandbriefe or Aircraft Pfandbriefe. The outstanding Pfandbriefe of any one of these types must be covered by a separate pool of specified qualifying assets: a pool for Mortgage Pfandbriefe only, a pool for Public Pfandbriefe only, a pool

covering all outstanding Ship Pfandbriefe only and a pool covering all outstanding Aircraft Pfandbriefe only (each a "**Cover Pool**"). An independent trustee appointed by the BaFin has wide responsibilities in monitoring the compliance by the Pfandbrief Bank with the provisions of the Pfandbrief Act. In particular, the trustee monitors the sufficiency of the cover assets and maintains a register listing the assets provided as cover from time to time in respect of the Pfandbriefe of any given type.

The aggregate principal amount of assets in these Cover Pools must at all times at least be equal to the aggregate principal amount of the outstanding Pfandbriefe issued against the respective Cover Pool and the aggregate interest yield on each Cover Pools must at all times be at least equal to the aggregate interest payable on all Pfandbriefe relating to such Cover Pools. In addition, the coverage of all outstanding Pfandbriefe with respect to principal and interest must at all times be ensured on the basis of the present value (*Barwert*). Finally, the present value of the assets contained in each Cover Pool must exceed the total amount of liabilities from the corresponding Pfandbriefe and derivatives by at least 2 per cent (*sichernde Überdeckung*).

Such 2 per cent excess cover must consist of highly liquid assets. Qualifying assets for the excess cover are, inter alia, (i) debt securities of the Federal Republic of Germany, a special fund of the Federal Republic of Germany, a German state, the European Communities, another Member State of the European Union, another Contracting State to the Agreement on the European Economic Area, the European Investment Bank, the International Bank for Reconstruction and Development, the Council of Europe Development Bank or the European Bank for Reconstruction and Development; (ii) debt securities of Switzerland, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Canada or Japan, insofar as their risk weighting has been assigned to credit quality step 1 according to Table 1 of Article 114 par. 2 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ("**Regulation (EU) No 575/2013**"); (iii) debt securities for which one of the authorities listed under (i) and (ii) has assumed the guarantee in respect of the payment of interest and of principal repayment; and (iv) deposits with the European Central Bank, with central banks of the Member States of the European Union or with suitable credit institutions seated in one of the states named in (i) and (ii) which have, in accordance with Article 119 par.1 of Regulation (EU) No 575/2013, been assigned a risk weighting equivalent to credit quality step 1 – or in case of initial maturities of up to 100 days and seat in a Member State of the European Union, credit quality step 1 or 2 - according to Table 3 of Article 120 par. 1 or Table 5 of Article 121 par. 1 of Regulation (EU) No 575/2013. In addition, to safeguard liquidity, a certain liquidity cushion must be established.

The Pfandbrief Bank must record in the register of cover assets for each Cover Pool of a given Pfandbrief type each asset and the liabilities arising from derivatives. Derivatives may be entered in such register only with the consent of the trustee and the counterparty.

The Pfandbrief Bank must command over an appropriate risk management system meeting the requirements specified in detail in the Pfandbrief Act and must comply with comprehensive disclosure requirements on a quarterly and annual basis set out in detail in the Pfandbrief Act.

3. Cover Pool for Mortgage Pfandbriefe

The principal assets qualifying for the Cover Pool for Mortgage Pfandbriefe are loans secured by mortgages which may serve as cover only up to the first 60 per cent of the value of the property, as assessed by experts of the Pfandbrief Bank not taking part in the credit decision, in accordance with comprehensive evaluation rules designed to arrive at the fair market value of the property. Moreover, the mortgaged property must be adequately insured against relevant risks.

The property that may be encumbered by the mortgages must be situated in a Member State of the European Union or in another Contracting State to the Agreement on the European Economic Area, in Switzerland, in the United Kingdom of Great Britain and Northern Ireland, in the United States of America, in Canada, in Japan, in Australia, in New Zealand or in Singapore. However, the total amount of loans granted on real estate situated outside the European Union for which it has not been ensured that the preferential rights of the Mortgage Pfandbriefe creditors extends to the claims of the Pfandbrief Bank from such loans may not exceed 10 per cent of the total volume of all loans for which the preferential right is ensured.

In addition, the Cover Pool for Mortgage Pfandbriefe may comprise a limited portion of other assets as follows: (i) equalisation claims converted into bonds (§19 (1) sentence one Pfandbrief Act); (ii) subject to certain qualifications, those assets which may also be included in the 2 per cent excess cover described above up to a total sum of 10 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe; (iii) the assets which may also be included in the Cover Pool for Public Pfandbriefe referred to below up to a total of 20 per cent of the aggregate principal amount of outstanding Mortgage Pfandbriefe, whereby the assets pursuant to (ii) above will be deducted, and, finally, (iv) claims arising under interest rate and currency swaps as well as under other qualifying derivatives contracted under standardised master agreements with certain qualifying counterparties, provided that it is assured that the claims arising under such derivatives will not be prejudiced in the event of the insolvency of the Pfandbrief Bank or any other Cover Pool maintained by it; insofar as derivative transactions used as cover are not adequately collateralized, the credit institutions must fulfil the credit quality requirements as described under "Rules applicable to all Types of Pfandbriefe" (fourth paragraph, sub-paragraph (iv)). The amount of the claims of the Pfandbrief Bank arising under derivatives which are included in the Cover Pool measured against the total amount of all assets forming part of the Cover Pool as well as the amount of the liabilities of the Pfandbrief Bank arising from such derivatives measured against the aggregate principal amount of the outstanding Mortgage Pfandbriefe plus the liabilities arising from derivatives may in either case not exceed 12 per cent, calculated in each case on the basis of the net present values.

4. Insolvency Proceedings

In the event of the institution of insolvency proceedings over the assets of the Pfandbrief Bank, any Cover Pool maintained by it would not be part of the insolvency estate, and, therefore, such insolvency would not automatically result an insolvency of any Cover Pool. Only if at the same time or thereafter the relevant Cover Pool were to become insolvent, separate insolvency proceedings would be initiated against such Cover Pool by the BaFin. In this case, holders of Pfandbriefe would have the first claim on the respective Cover Pool. Their preferential right would also extend to interest on the Pfandbriefe accrued after the commencement of insolvency proceedings. Furthermore, but only to the extent that holders of Pfandbriefe suffer a loss, holders of Pfandbriefe would also have recourse to any assets of the Pfandbrief Bank not included in the Cover Pools. As regards those assets, holders of Pfandbriefe would rank equal with other unsecured and unsubordinated creditors of the Pfandbrief Bank.

Up to three administrators (*Sachwalter* – "**Administrator**") will be appointed in the case of the insolvency of the Pfandbrief Bank to administer each Cover Pool for the sole benefit of the holders of Pfandbriefe. The Administrator will be appointed by the competent court having jurisdiction in the insolvency proceedings of the Pfandbrief Bank at the request of the BaFin before or after the institution of insolvency proceedings. The Administrator will be subject to the supervision of the competent court and also of the BaFin with respect to the duties of the Pfandbrief Bank arising in connection with the administration of the assets included in the relevant Cover Pool. The Administrator will be entitled to dispose of the Cover Pool's assets and receive all payments on the relevant assets to ensure full satisfaction of the claims of the holders of Pfandbriefe. To the extent, however, that those assets are obviously not necessary to satisfy such claims, the insolvency receiver of the Pfandbrief Bank is entitled to demand the transfer of such assets to the insolvency estate.

Subject to the consent of the BaFin, the Administrator may transfer all or part of the cover assets and the liabilities arising from the Pfandbriefe issued against such assets to another Pfandbrief Bank.

In the case of insolvency, the banking licence of the Pfandbrief Bank with respect to the Cover Pool and the Pfandbriefe for which the Administrator acts will remain in existence until all obligations under the Pfandbriefe have been fulfilled completely. Such banking licence contains, amongst others, the authorisation for the Administrator regarding the issuance of notes in the form of Pfandbriefe. Each Cover Pool is considered a Pfandbrief Bank with limited business activity so that the Administrator, in the case the Pfandbrief Bank has different types of Pfandbriefe outstanding, will have to administer several Pfandbrief Banks with limited business activity the future destiny of such Pfandbrief Banks being independent of each other.

GENERAL INFORMATION

Listing and Admission to Trading Information

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Programme to be admitted to trading on the Regulated Market "*Bourse de Luxembourg*" which is a regulated market for the purposes of the MiFID II Directive, and to be listed on the Official List of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to this Programme which will not be listed on the Official List of the Luxembourg Stock Exchange or any other stock exchange, for example the Frankfurt stock exchange as the Issuer and the relevant Dealer(s) may agree.

Undertaking

The Issuer has undertaken to publish a supplement to this Prospectus or to publish a new Prospectus if and when the information herein should become materially inaccurate or incomplete or in the event of any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Notes and, where approval by the CSSF of any such document is required, upon such approval having been given, all of which will be for use in connection with any subsequent offering of Notes to be listed on the Official List of the Luxembourg Stock Exchange.

The Issuer will, at the specified offices of the Listing and Paying Agent in the Grand Duchy of Luxembourg, provide, free of charge, upon the oral or written request therefor, a copy of this Prospectus (or any document incorporated by reference in this Prospectus). Written or oral requests for such documents should be directed to the specified office of the Listing and Paying Agent in the Grand Duchy of Luxembourg.

As long as any Notes are outstanding and listed on the Official List of the Luxembourg Stock Exchange, information will be communicated to the Holders of the Notes in accordance with Luxembourg Stock Exchange regulations and recommendations.

Authorisation

The establishment of the Programme and the issuance of the types of Notes thereunder have been authorised by the Management Board of the Issuer on 13 May 2019. Each Tranche of Notes under the Programme will be issued pursuant to internal rules of Bausparkasse Schwäbisch Hall.

DOCUMENTS INCORPORATED BY REFERENCE

The Issuer's annual consolidated financial statements for the fiscal year ended 31 December 2018 as well as the audit opinion included in the Annual Report 2018 in the English language (which constitutes a translation of the respective German language annual consolidated financial statements and audit opinion) and the annual consolidated financial statements for the fiscal year ended 31 December 2017 as well as the audit opinion included in the Annual Report 2017 (*Finanzbericht 2017*) in the German language, are incorporated by reference into, and form part of, this Prospectus, as well as the annual financial statements of Bausparkasse Schwäbisch Hall AG included the audit opinions of the fiscal years ended 31 December 2018 and 2017 in the German language.

Comparative Table of Documents incorporated by Reference

Schwäbisch Hall Group	Description	Incorporated by Reference
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Group Management Report	Page 6 to 69 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Income statement for the period January 1 to December 31, 2017 included in the Consolidated Financial Statements	Page 72 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Statement of comprehensive income for the period January 1 to December 31, 2017 included in the Consolidated Financial Statements	Page 72 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Balance Sheet as at December 31, 2017 included in the Consolidated Financial Statements	Page 73 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Statement of Changes in Equity included in the Consolidated Financial Statements	Pages 74 to 75 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Cash Flow Statement included in the Consolidated Financial Statements	Pages 76 to 77 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Notes included in the Consolidated Financial Statements	Pages 78 to 145 of the Annual Report 2017 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Independent Auditor's Report included in the Consolidated Financial Statements	Pages 146 to 154 of the Annual Report 2017 of Schwäbisch Hall Group

Page / Section in prospectus	Section of document incorporated by reference	Pages of document incorporated by reference
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Combined Management Report	Page 5 to 77 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses Historical Financial Information	Statement of comprehensive income for the period January 1 to December 31, 2018 included in the Consolidated Financial Statements	Page 80 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Income statement for the period January 1 to December 31, 2018 included in the Consolidated Financial Statements	Page 80 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Balance Sheet as at December 31, 2017 included in the Consolidated Financial Statements	Page 81 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Statement of Changes in Equity included in the Consolidated Financial Statements	Page 82 to 83 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Cash Flow Statement included in the Consolidated Financial Statements	Page 84 to 85 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Notes included in the Consolidated Financial Statements	Page 86 to 170 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Independent Auditor's Report included in the Consolidated Financial Statements	Page 171 to 180 of the Annual Report 2018 of Schwäbisch Hall Group
Bausparkasse Schwäbisch Hall AG		
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Management Report of Bausparkasse Schwäbisch Hall AG	Page 2 to 61 of the Annual Report 2017 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses Historical Financial Information	Balance Sheet as at December 31, 2017 included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 62 to 63 of the Annual Report 2017 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Income statement for the period January 1 to December 31, 2017 included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 64 to 65 of the Annual Report 2017 of Bausparkasse Schwäbisch Hall AG

Page / Section in prospectus	Section of document incorporated by reference	Pages of document incorporated by reference
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Notes included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 66 to 79 of the Annual Report 2017 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Independent Auditor's Report included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Pages 80 to 88 of the Annual Report 2017 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Management Report of Bausparkasse Schwäbisch Hall AG Included in the Combined Management Report of Schwäbisch Hall Group	Page 5 to 77 of the Annual Report 2018 of Schwäbisch Hall Group
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Balance Sheet as at December 31, 2018 included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 4 to 5 of the Annual Report 2018 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Income statement for the period January 1 to December 31, 2018 included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 6 to 7 of the Annual Report 2018 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Notes included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 8 to 23 of the Annual Report 2018 of Bausparkasse Schwäbisch Hall AG
21 / Financial Information concerning Bausparkasse Schwäbisch Hall's Assets and Liabilities, Financial Position and Profits and Losses <i>Historical Financial Information</i>	Independent Auditor's Report included in the Financial Statements of Bausparkasse Schwäbisch Hall AG	Page 24 to 32 of the Annual Report 2018 of Bausparkasse Schwäbisch Hall AG

AVAILABILITY OF DOCUMENTS INCORPORATED BY REFERENCE

The above mentioned documents incorporated herein by reference will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Issuer (www.schwaebisch-hall.de). In addition, copies of the above mentioned documents incorporated herein by reference may be obtained in printed form, free of charge, upon request from the Listing and Paying Agent in the Grand Duchy of Luxembourg and from Bausparkasse Schwäbisch Hall. The addresses of the Listing and Paying Agent in the Grand Duchy of Luxembourg and of Bausparkasse Schwäbisch Hall are set out in section "Names and Addresses" below.

NAMES AND ADDRESSES

Issuer

Bausparkasse Schwäbisch Hall AG – Bausparkasse der Volksbanken und Raiffeisenbanken –
Crailsheimer Strasse 52
74523 Schwäbisch Hall
Federal Republic of Germany

Arranger

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

Dealers

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Strassen
Grand Duchy of Luxembourg

Fiscal Agent

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany

Listing and Paying Agent in the Grand Duchy of Luxembourg

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Strassen
Grand Duchy of Luxembourg

Legal Advisor to the Dealers

Hengeler Mueller
Partnerschaft von Rechtsanwälten mbB
Bockenheimer Landstraße 24
60323 Frankfurt am Main
Federal Republic of Germany

Legal Advisor to the Issuer

Fieldfisher (Germany) LLP
Turmcenter, Eschersheimer Landstraße 14
60322 Frankfurt am Main
Federal Republic of Germany

Auditor of the Issuer

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
Flughafenstraße 61
70629 Stuttgart
Federal Republic of Germany